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RUIN OF INDIAN TRADE AND INDUSTRIES

BY

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To
All those who are interested
in
the Industrial development
of India.

PREFACE

The present work appeared originally in the shape of serial articles in the *Modern Review*, from which these are reprinted with a few additions and alterations.

B. D. BASU.

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ERRATA

- P. 81 line 6 from bottom for "*There*," read "Their"
- P. 129 line 9 from bottom for "Note," read "Notes"
- P. 139 line 3 from bottom for "deslocating" read "dislocating"
- P. 140 last line, for "fillings" read "filling"

INTRODUCTION.

In the pre-British period, India was as great a manufacturing country as an agricultural one.

“ Ere the pyramids looked down upon the valley of the Nile, when Greece and Italy, those cradles of European civilization, nursed only the tenants of the wilderness, India was the seat of wealth and grandeur. A busy population had covered the land with the marks of industry; rich crops of the most coveted productions of nature annually rewarded the toil of the husbandman. Skilled artisans converted the rude products of the soil into fabrics of unrivalled delicacy and beauty. Architects and sculptors joined in constructing works, the solidity of which has not, in some instances, been overcome by the evolution of thousands of years. . . . The ancient state of India must have been one of extraordinary magnificence.” (Thornton’s Description of Ancient India, quoted in *The Modern Review*, January 1921, p. 162).

She was pre-eminently noted for her Iron and Cotton Industries. Regarding the Iron Industry in India, Dr. Benjamin Heyne in his statistical fragments on Mysore, wrote:—

“ Since my arrival in England I have endeavoured to obtain information of what is known here of Indian steel, and of the result of experiments which have been made with it; and I am happy in being permitted to lay before my readers a letter from Mr. Stodart, an eminent instrument-maker, to whom I was recommended for the purpose by Dr. Wilkins, which equally proves the im-

portance of the article, and the candour and ingenuity of the writer. The letter is as follows :—

‘ Agreeable to your request, I herewith transmit to you a few remarks on the wootz, or Indian steel. I give them as the results of my own practice and experience.

‘ Wootz, in the state in which it is brought from India, is, in my opinion, not perfectly adapted for the purpose of fine cutlery. The mass of metal is unequal, and the cause of inequality is evidently imperfect fusion; hence the necessity of repeating this operation by a second and very complete fusion. I have succeeded in equalizing wootz, and I now have it in a very pure and perfect state, and in the shape of bars like our English cast steel. If one of these is broken by a blow of a hammer it will exhibit a fracture that indicates steel of a superior quality and high value, and is excellently adapted for the purpose of fine cutlery, and particularly for all edge instruments used for surgical purposes I find the wootz to be extremely well hardened when heated to a cherry-red colour in a bed of charcoal dust, and quenched in water cooled down to about the freezing point.

‘ It is worthy of notice, that an instrument of wootz will require to be tempered from 40 to 50 degrees above that of cast steel. For example, if a knife of cast steel is tempered when the mercury in the thermometer has risen to 45°, one of the wootz will require it to be 49°; the latter will then prove to be the best of the two, provided always that both have been treated by the workman with equal judgment and care.

‘ Upon the whole, the wootz of India promises to be of importance to the manufactures of this country. It is admitted, by the almost universal consent of intelligent workmen, that our English steel is worse in quality

than it was some thirty or forty years ago. This is certainly not what one would expect in the present improved state of chemical science ; but so it actually is. The trouble and expense of submitting wootz to a second fusion will, I fear, militate against its more general introduction. If the steel makers of India were made acquainted with a more perfect method of fusing the metal and taught to form it into bars by the tilt hammers, it might then be delivered here at a price not exceeding that of cast steel I am of opinion it would prove a source of considerable revenue to the country. I have at this time a liberal supply of wootz, and I intend to use it for many purposes. If a better steel is offered me, I will gladly attend to it ; but *the steel of India is decidedly the best I have yet met with.*'

In his essays on *Indian Economics*, Mr. Justice Ranade wrote :—

"The iron industry not only supplied all local wants, but it also enabled India to export its finished products to foreign countries. The quality of the material turned out had also a world-wide fame. The famous iron pillar near Delhi, which is at least fifteen hundred years old, indicates an amount of skill in the manufacture of wrought iron, which has been the marvel of all who have endeavoured to account for it. Mr. Ball (late of the Geological Survey of India) admits that it is not many years since the production of such a pillar would have been an impossibility in the largest factories in the world, and, even now, there are comparatively very few factories where such a mass of metal could be turned out. Cannons were manufactured in Assam of the largest calibre. Indian *wootz* or steel furnished the materials out of which Damascus blades with a world-wide reputation

were made; and it paid Persian merchants in those old times to travel all the way to India to obtain these materials and export them to Asia. The Indian steel found once considerable demand for cutlery even in England. The manufacture of steel and wrought iron had reached a high perfection at least two thousand years ago." (First edition, pp. 159-160).

As to the cotton industry of India, she used to clothe the men and women of the Christian countries of the West.

It is a historical fact that when Queen Mary came to England with her husband after the English Revolution of 1688, she brought "a passion for colored East Indian calicoes, which speedily spread through all classes of the community."* But this did not suit the English philanthropists of those days. They proclaimed a boycott of Indian goods. To quote Lecky:—

"At the end of the seventeenth century great quantities of cheap and graceful Indian calicoes, muslins, and chintzes were imported into England, and they found such favour that the woolen and silk manufacturers were seriously alarmed. Acts of Parliament were accordingly passed in 1700 and in 1721, absolutely prohibiting, with a very few specified exceptions, the employment of printed or dyed calicoes in England, either in dress or in

* Lecky's History of England in the Eighteenth Century, Vol. II, p. 158.

furniture, and the use of any printed or dyed goods of which cotton formed any part.*"

In Christian England, it was "penal for any woman to wear a dress made of Indian calico. In 1766 a lady was fined £200 at the Guild Hall because it was proved that her handkerchief was of French cambric."†

But England did not then possess political sway over the destiny of India. When she came to possess that power, she not only boycotted Indian goods but strangled Indian industries by means which no one can pronounce to be fair and just. Wrote an English Historian :--

"The history of the trade of cotton cloth with India affords a singular exemplification of the inapplicability to all times and circumstances of that principle of free trade which advocates the unrestricted admission of a cheap article, in place of protecting by heavy duties a dearer one of home manufacture. It is also a melancholy instance of the wrong done to India by the country on which she had become dependent. It was stated in evidence, that the cotton and silk goods of India up to this period [1813] could be sold for a profit in the British market, at a price from fifty to sixty per cent. lower than those fabricated in England. It consequently became necessary to protect the latter by duties of seventy and eighty per cent. on their value or by positive prohibition. Had this not been the case, had not such prohibitory duties and decrees existed, the mills of Paisley and of Man-

* Lecky's History of England in the Eighteenth Century, Vol. VII, pp. 255-266.

† Lecky's History of England in the Eighteenth Century, Vol. VII, p. 320.

chester would have been stopped in their outset, and could scarcely have been again set in motion even by the powers of steam. They were created by the sacrifice of the Indian manufacturer. Had India been independent, she would have retaliated : would have imposed preventive duties upon British goods and would thus have preserved her own productive industry from annihilation. This act of self-defence was not permitted her ; she was at the mercy of the stranger. British goods were forced upon her without paying any duty ; and the foreign manufacturer employed the arm of political injustice to keep down and ultimately strangle a competitor with whom he could not have contended on equal terms." *The History of British India*, by Horace Hayman Wilson, Vol. I, p. 385. ✓

Another English officer wrote :—

"Every one knows how jealously trade secrets are guarded. If you went over Messrs. Doulton's Pottery Works, you would be politely overlooked. Yet under the force of compulsion the Indian workman had to divulge the manner of his bleaching and other trade secrets to Manchester. A costly work* was prepared by the India House Department to enable Manchester to take 20 millions a year from the poor of India : copies were gratuitously presented to Chambers of Commerce, and the Indian ryot had to pay for them. This may be political economy, but it is marvellously like something else." Major J. B. Keith in the *Pioneer*, September 7, 1891.

How did England build up her industries ?

* See the article "Specimens of Indian Textiles, where are they ?" in *The Modern Review* for December, 1908.

India was considered to be fabulously rich and therefore she was called "Golden India". She was also rich in industries and manufactures. The object of the maritime European nations in the fifteenth and sixteenth centuries in trying to discover the sea-route to India was to bring into their countries the natural products and other articles which India then manufactured. India always attracted the gold and silver of the world by the sale of her products, both natural and artificial.

Dr. Robertson writes in his *Historical Disquisition Concerning India* (London, 1817), p. 180 :—

"In all ages, gold and silver, particularly the latter, have been the commodities exported with the greatest profit to India. In no part of the earth do the natives depend so little upon foreign countries, either for the necessaries or luxuries of life. The blessings of a favourable climate and a fertile soil, augmented by their own ingenuity, afford them whatever they desire. In consequence of this, trade with them has always been carried on in one uniform manner, and the precious metals have been given in exchange for their peculiar productions, whether of nature or art". *A Historical Disquisition Concerning India*, New Edition (London, 1817), p. 180.

Again :

"In all ages, the trade with India has been the same : gold and silver have uniformly been carried thither in order to purchase the same commodities with which it now supplies all nations ; and from the age of Pliny to

the present times, it has been always considered and execrated as a gulf which swallows up the wealth of every other country, that flows incessantly towards it, and from which it never returns." *Ibid.* p. 203.

But when England came to possess political supremacy over India, she went on draining the resources of India to England, which the poet Thomas Campbell referred to in the following lines :—

"Rich in the gems of India's gaudy zone . . .
And plunders piled from kingdoms not their own."

It was this "Indian plunder" which enriched England and enabled her to build up her industries. This is borne out by what Brooks Adams wrote in his work entitled "The Law of Civilisation and Decay."

"The influx of the Indian treasure, by adding considerably to the nation's cash capital, not only increased its stock of energy but added much to its flexibility and the rapidity of its movement. Very soon after Plassey, the Bengal plunder began to arrive in London, and the effect appears to have been instantaneous, for all the authorities agree that the 'industrial revolution,' the event which has divided the nineteenth century from all antecedent time, began with the year 1760. Prior to 1760, according to Baines, the machinery used for spinning cotton in Lancashire was almost as simple as in India; while about 1750 the English iron industry was in full decline, because of the destruction of the forests for fuel. At that time four-fifths of the iron used in the kingdom came from Sweden.

"Plassey was fought in 1757 and probably nothing

has ever equalled the rapidity of the change which followed. In 1760 the flying shuttle appeared, and coal began to replace wood in smelting. In 1764 Hargreaves invented the spinning-jenny, in 1776 Crompton contrived the mule, in 1785 Cartwright patented the power-loom, and, chief of all, in 1768 Watt matured the steam engine, the most perfect of all vents of centralising energy. But, though these machines served as outlets for the accelerating movement of the time, they did not cause that acceleration. In themselves inventions are passive, many of the most important having lain dormant for centuries, waiting for a sufficient store of force to have accumulated to set them working. That store must always take the shape of money, and money not hoarded, but in motion. Before the influx of the Indian treasure, and the expansion of credit which followed, no force sufficient for this purpose existed; and had Watt lived fifty years earlier, he and his invention must have perished together. Possibly since the world began, no investment has ever yielded the profit reaped from the Indian plunder, because for nearly fifty years Great Britain stood without a competitor. From 1694 to Plassey (1757) the growth has been relatively slow. Between 1760 and 1815 the growth was very rapid and prodigious. Credit is the chosen vehicle of energy in centralised societies, and no sooner had treasure enough accumulated in London to offer a foundation, than it shot up with marvellous rapidity. The arrival of the Bengal silver and gold enabled the Bank of England 'which had been unable to issue a smaller note than for £20 to easily issue £10 and £15 notes and private firms to pour forth a flood of paper.'—*The Law of Civilisation and Decay*, pp. 263-264, quoted in Digby's *Prosperous British India*, pp. 31-33.

From the time England acquired political power in India, she destroyed Indian trade and industries principally by means of:

1. The forcing of British Free Trade on India.
2. Imposing heavy duties on Indian manufactures in England.
3. The export of Raw Products from India.
4. Exacting Factory Acts.
5. The Transit and customs duties.
6. Granting special privileges to Britishers in India.
7. Building railways in India.
8. Compelling Indian artisans to divulge their trade secrets.
9. Holding of Exhibitions.
10. Investing so-called British Capital in India.
11. The denial of self-government to India.

THE RUIN OF INDIAN TRADE AND INDUSTRIES

CHAPTER I.

THE FORCING OF BRITISH FREE TRADE ON INDIA.

The natives of England are a nation of shopkeepers. All the world over, shopkeepers are reputed to be selfish and greedy persons. They understand their own interests and do not care for others' well-being.) These characteristics the English exhibited in a remarkable degree on the occasion of the renewal of the East India Company's Charter in 1813. Witness after witness swore before the Select Committees of both Houses of Parliament that there was no need for English manufactures in India, and that the people of that country did not require any English-made goods ; yet the avaricious Englishmen invented schemes and proposed measures calculated to put money into their own pockets. Of course, they did not say openly that Indian Industries should be crushed to make room for English manufactures in India, but the steps which they proposed to adopt were meant to bring about that end.¹

To increase the sale of English goods in India, they advocated free trade. But this free trade was not to be reciprocal. English goods were to be forced on India, but Indian manufactures were not to be allowed to be imported into England without paying duties and taxes. Had free trade been reciprocal, English industries would have been crushed by fair competition.

But the witnesses examined before the Select Committees of the Houses of Lords and Commons were not of opinion that free trade would lead to an increased demand for European articles among Indians. We reproduce below the evidence of some of the witnesses examined before the Select Committee of the Lords. Mr. Warren Hastings was the first witness examined before that Committee.

"Are you of opinion that in the event of a free trade between this country and British India, the demand for British manufactures would be increased in any material degree in that country?—I believe not. I do not know why it should; it may cause a greater influx of British goods into that country, but it cannot increase the wants of the people to possess them."

Mr. William Cowper appeared also as a witness before the Committee.

"In the event, therefore, of a free trade between the ports of this country and the ports of British India, do you conceive there is much prospect of an extended use of British manufactures or commodities in that country?—I certainly do not think there is any probability of such an extension."

Sir John Malcolm was also asked the same question.

"From your knowledge of India, can you form any opinion, if a free trade were opened, whether the demand for European manufactures in British India would be likely to be increased?—Having always seen, not only in the principal British settlements, but in every town where there were British residents, and in every station where there was a military cantonment, an abundance of European articles of every description that were exposed for sale at various prices, from articles of the best quality and in the highest preservation, down to those of inferior quality and damaged, and which market of articles was accessible to all natives as well as Europeans, I should certainly not conclude that there would be any immediate increase of sale from any measure of the kind, because consumption must depend upon the purchasers, not the sellers."

He was again asked by the Lords' Committee:—

"Do you apprehend that in the event of a free trade there will be any extension of demand for British manufactures?—Having stated that at present there is * * an abundance of European articles in every settlement, town, and cantonment in India, I do not conceive there could be any immediate increase of the sale of these articles from any alteration in the system."

To Lord Teignmouth the same question was put.

"Is your Lordship of opinion, in the event of a free trade between this country and India, a considerably increased demand for European articles among the natives would be likely to take place?—I think not.

"Will your Lordship state what are your reasons for

that opinion?—That I am not aware of any manufactures in this country that the natives would be likely to purchase in any considerable degree; this opinion is formed from my knowledge of their modes of living in India.”

Mr. Thomas Graham was also examined on the subject of free trade to India.

“Looking to the general habits of the natives, as well as to the degree of export that has for many years past existed, and now exists, do you think that thus opening the trade to India would increase the consumption of European articles among the natives of India?—I have no idea that it would; their habits are so different from the use of any articles of that description, that I think it almost impossible that it should.”

Sir Thomas Munro being questioned,

“From your knowledge of the natives of Hindustan, are you of opinion, that if a free trade were sanctioned by law between this country and India, there would be any considerable increase among those natives of the demand for British commodities or manufactures?—said,

“I do not think there would be any material increase of the demand now existing for European manufactures and commodities; I think that some small increase would arise from the gradual increase of population, but I think none from a change in the customs or the taste of the natives themselves.”

Mr. John Stracey was also a witness.

“Are you of opinion that if a free trade were opened between this country and India, there would be any

materially increased demand among the natives of the Bengal provinces for English manufactures?—I really should think not.”

Mr. Graeme Mercer was also asked to give his opinion on the effects of free trade.

“Are you of opinion that if a free trade were opened between this country and India, there would be any materially increased demand among the natives of India for English manufactures or commodities?—I think no sudden increased demand for the manufactures of this country would arise from such a free trade; the habits and manners of the natives are of such a nature as may be said to be nearly unchangeable; their wants from other countries are few or none; and from the period in which I have resided in India, I could perceive little or no alteration with regard to their demands for any European commodities.”

Mr. Thomas Sydenham was also a witness.

“From your knowledge of the habits and wants of the natives of that country, do you think that in the event of a free trade there would be any materially increased demand, among the natives of India, for European manufactures or articles?—I do not think that there would be any material increase of demand, whether trade remained in its present situation or were thrown open.

“Are you of opinion, that in the event of a free trade, there would be any great increased demand for European commodities?—Certainly not; I do not see how the demand is to be at all increased by the opening of the trade: the demands of course take place from the wants of the natives there.”

Mr. Charles Buller was asked questions almost of the same import as the above-mentioned witness.

"Are you of opinion, that if a free trade were opened with India, there would be any increased demand among the natives of that country for European articles and manufactures?—Very little, if any, I should suppose so.

"What are your reasons for that opinion?—From the general poverty of the people, and from their not having any wish, as I have seen, to have our articles, generally speaking."

It is needless to quote the opinions of other witnesses as to the improbability of free trade leading to an increased demand among Indians for British manufactures. (Yet the English people were determined to deprive the East India Company of its monopoly and have free trade with India. ;

But they did not act on that precept of Christ whom they professed to worship as their Savior—that precept which taught, "Do unto others as you would be done by." They did not wish to give India that advantage which they were trying to possess themselves. There was not to be any reciprocity. No Indian manufactures were to be admitted duty-free into England. What would have been the fate of English industries had the Indian manufactures been accorded the same privileges which those who were natives of England were clamouring for? Why, the English industries

would have been all crushed in no time. This is quite clear from the evidence of the witnesses who appeared before the Parliamentary Committees. Take the evidence of Mr. William Davies before the Select Committee of the House of Lords on the 12th April, 1813. He was asked:—

“Are you of opinion that if a considerably increased capital were applied to the encouragement of the manufactures of India, and they were brought to Europe, they would not probably materially injure the manufactures of this country?—I think that if the exports from India of coarse cloths were greatly increased, that they might interfere with the manufactures of this country. A proof, I had cloths consigned to me from Madras which did pay the duty in England, and were sold in England, a part of which I have now in use in my own house after having been bought from a trader in London; I am speaking of coarse cotton cloths.”

Cotton piece-goods from India were not imported into England without duty being imposed on them. And this duty was a very heavy one. Mr. Robert Brown, who appeared as a witness before the Lords' Committee, having been sworn, was examined as follows:

“Have you had extensive dealings in cotton piece-goods from India?—I have.

“Do you know what is the *ad valorem* duty imposed on piece-goods sold at the sales of the Company?—They are divided into three classes, the first is the article of muslins, which pay on importation 10 per cent., and £27. 6s. 8d. per cent. for home consumption; the second is the

article of calicoes, which pays, £3. 6s. 8d. per cent. on importation, and £68. 6s. 8d. per cent. for home consumption ; the third comes under the denomination of prohibited goods, which pay merely a duty of £3. 6s. 8d. per cent. on importation, and are not allowed to be used in this country."

No Christian native of England ever proposed to remove this *ad valorem* duty on cotton piece-goods imported from India. Almost every one of the Christian islanders (except the interested merchants constituting the East India Company who enjoyed the monopoly,) was clamouring for free trade to India, but no one showed sufficient large-heartedness or magnanimity to advocate the importation of Indian goods into England on the principle of free trade. Had this been done, English manufactures would have been ruined. Mr. Robert Brown was examined on this subject before the Lords' Committee.

"From your general experience, can you state whether the cotton goods manufactured in this country have attained to the perfection of the India fabrics?—In many cases I conceive that they very much surpass them.

"Do you mean that the fine piece-goods of India are surpassed by the British piece-goods?—No, I do not; certainly I mean the common and the middling qualities.

"Are there any species of Indian piece-goods with which, in your apprehension, British cottons of apparently the same quality could not sustain a competition?—Is it meant by that to ask me in point of price, or in point of quality ?

"Are there any species of Indian piece-goods with which, in your apprehension, British cottons of apparently the same quality could not sustain a competition? They have certainly been very successfully imitated; and, as I stated before, the British goods have in some cases surpassed the others.

"Supposing that Indian piece-goods were to attain a considerable degree of home consumption, would the finer sorts of them prevail over any British fabrics of the same kind that could be brought to contend with them in the market?—If you mean the finer description of piece-goods to be imported without the payment of duty, they would certainly interfere very much with British goods; but it would be with the coarser goods, if the duty was evaded, with which the interference would be by far the greatest in my opinion, in consequence of the low price at which those common piece-goods are sold at the Company's sales; and the greater price of the same description of goods of British manufacture. At present the duty is so heavy, amounting to £ 68. 6s. 8d. per cent. for home consumption, that very few, if any, sold for the home market.

"Supposing that India piece-goods in any great quantity were fraudulently introduced into the home consumption, do you conceive that they might interfere with the cotton fabrics of this country, in spite of the expense with which the fraudulent introduction of commodities must necessarily be attended?—I think they would interfere very greatly and that the saving in the point of duty would amply compensate for the expense of smuggling them.

"Can you state the difference between the price which British white calicoes from the manufacturers fetch per yard, and that at which Indian white calicoes of nearly

the same dimensions and quality sold at the March sales of the Company?—From a calculation I have recently made, I find that the difference is from 30 to 60 per cent., that is to say, that goods at the last March sale sold by the East India Company at from 30 to 60 per cent. less than the same qualities, widths, and descriptions could be bought from the manufacturers.”

While they were demanding free trade to India, they were having a very strict protection against the importation of Indian goods in England. Mr. Gloucester Wilson was examined before the Lords’ Committee:—

“Do you think that, in the event of the import trade from India being extended to the out ports of this kingdom, there would be danger to the manufactures of this country, by the introduction of illicit and prohibited articles that might supplant those manufactures?—I am not competent to form a further opinion upon that, but that there might be an increased opportunity of smuggling, and of course of bringing in prohibited articles, or articles that might interfere with the manufactures.”

They were afraid of applying the principle of free trade to the import of Indian goods into England, because there would be smuggling and thus ruining of the English manufacturers. Mr. John Vivian was sworn and examined by the Lords’ Committee as follows:—

“Do you think that if there was from India a free open trade to the port of London, that that would greatly increase the smuggling to this island?—I should think it might; my reason for so thinking is, that a great Company

is not so fit an instrument for smuggling as an individual, or any association of a few individuals, inasmuch as the Company has not the same motive that an individual has * * * .”

We have thus far seen that from the Indian economic point of view no case could be made out for British free trade in India. India did not stand in need of British goods. Dr. Johnson, referring to a certain class of his countrymen, spoke of patriotism as the last refuge of scoundrels. Similarly, philanthropy is the last resource of British exploiters. Economic considerations failing, they pressed philanthropy into their service to prove the need of British free trade in India. The Select Committee of the House of Commons assumed that free trade was a philanthropic measure calculated to raise the natives of India in the scale of nations and to civilize them ! So Sir Thomas Munro was sworn and examined by the Commons’ Committee from this point of view.

“Have you ever contemplated the effects of commerce in the western world, the share it has had in oversetting or softening the despotisms, and changing the established manners of Europe, and in improving and enlightening the state of European society generally ?—I have seen and observed that the effect of commerce has been that of very greatly tending to the enlightening of most of the nations of Europe. * * *

“If the same causes were to be allowed to have free operation in India, and to receive a just and prudent support from government instead of opposition, what in

your opinion would be the gradual effect on the manners and prejudices of the Indians?—If the manners and customs of the Indians are to be changed, I think it likely that they will be changed by commerce; but commerce does not seem to have produced much effect upon them.”

We may imagine what questions an advocate of India would have asked in cross-examining the witness. He would have asked whether the civilising effects of commerce in Europe were due to the exploitation of Europe by foreigners, whether on the contrary the Europeans were not both manufacturers and sellers as well as purchasers, and whether it was proposed to make the Indians also manufacturers and sellers as well as purchasers. But no measure was proposed to infuse the spirit of commercial enterprise in the natives of India. On the contrary, free trade was meant to crush the commercial pursuits of Indians. Sir Thomas Munro was further examined by the Committee.

“Are not the natural habits and dispositions of the people of India such as would lead them to engage with great zeal and ardour as well in commercial as in other pursuits, were the means of gain or advantage open to them?—The people of India are as much a nation of shopkeepers as we are ourselves, they never lose sight of the shop, they carry it into all their concerns, religious and civil; all their holy places and resorts for pilgrims, are so many fairs for the sale of goods of every kind; religion and trade are in India sister arts, the one is seldom found in any large assembly without the society

of the other: It is this trading disposition of the natives, which induces me to think it impossible that any European traders can long remain in the interior of India and that they must sooner or later all be driven to the coast; what the European trader eats and drinks in one month, would make a very decent mercantile profit for the Hindoo for twelve; they do not therefore meet upon equal terms, it is like two persons purchasing in the same market, the one paying a high duty, the other paying none: the extra duty paid by the European is all the difference between his own mode of living and that of the Hindoo, it is impossible therefore that he can long carry on the competition upon such an unequal footing; he may for a time with a large capital carry on some new manufacture or improve some old one, such as indigo or sugar; the Hindoo will wait till he sees the success which follows the undertaking; if it is likely to be successful and to be permanent, he will engage in it, and the European must quit the field. There can be no doubt, I think, that this cause will in time operate so as to force all Europeans to the sea-coast, and I can have little doubt but that hereafter, when the Hindoos come to correspond directly with the merchants in England, that many of the agents now settled upon the coast will from the same cause, the superior economy and diligence of the Hindoo, be obliged to leave India."

Yet in the face of these facts the Christian natives of England were very anxious to elevate, out of pure philanthropic or altruistic motives, the condition of the heathens of India, by forcing their goods on them by means of free trade!

Those Britishers never ceased forcing their free trade on India. Thus, Mr. J. A. Wadia, a well-known

merchant of Bombay in his written evidence before the *Indian Industrial Commission* of 1916-18 said :

"We must have complete confidence in the Government, which unfortunately we have not, and you have only to look at the past history of the English and Indian Governments. We had an import duty for revenue purposes it was reduced, I believe in 1877, and abolished in 1882, by the House of Commons, and the late Mr. Gladstone, an out-and-out free-trader, said as follows :

There is not a free-trade Government in this or in any country, which has not freely admitted that the state of the revenue is an essential element in the consideration of the application even of the best principles of free-trade. With regard to remission for import duties there seems to me to be something distinctively repugnant in the way it has been done in the time of India's distress and difficulty. What an invidious, almost odious picture of inequality we exhibit to the millions of India. The free-trade doctrines which we hold so dear that we apply them against the feeling of the Indian people in their utmost rigour and without a grain of mercy, disappear in a moment when it is a question of dealing with those whose interests and opinions we cannot lightly tamper with *viz.*, the free colonies of the Empire." (Minutes of Evidence, Vol. IV. pp. 135-136).

But Christian England believing in Free India never admitted Indian goods into that island on that principle. We read in the *Modern Review* for

February, 1918 p. 218, regarding Indian yarn in England.

The following is an extract from a letter which Mr. Shapurji Saklatwala sent to the *Manchester Guardian* but which that paper did not, for obvious reasons, publish :

On 25th March, 1916, the War Trades Department prohibited imports of Indian yarns of lower count into this country just when Indian yarn of lower count, 6 to 20, was beginning to make headway in place of the Continental yarn shut out by the War. The professed object was saving of freight space. It was pointed out to the Board of Trade that the raw cotton required to replace this yarn occupied greater freight space, and also demanded additional labour in this country at a time when shortage of labour was the predominant cry. The above representation was made by the Indian community of London as well as by some Manchester merchants, who could take an impartial view of the situation, as a distinct effort under disguise of a War measure to shut out Indian yarn for the protection of some Lancashire spinners. These British petitioners in Manchester would be able to tell you that opposition to them came from a powerful party in Lancashire, who welcomed such protection, and who are still scheming to perpetuate it. The Manchester Chamber, the Blackburn Chamber, and the Operatives Unions did not then recoil at this retrograde measure. The Apostles of Free Trade, and the upholders of even balance between India and England in the cotton trade adopted discreet silence, or a secret agitation in favour of maintaining a severe restriction on imports of Indian yarn, whereas Lancashire yarn has had a wide open door in India.

New India, from which the above passage has been taken, writes :

Manchester quietly welcomed that protective legislation against India, and how significant is therefore its cry for free trade! Where were the free traders hiding in 1916?

CHAPTER II.

THE TRANSIT AND CUSTOMS DUTIES.

The natives of England were put to great straits by Napoleon, who threatened to cripple, if not altogether destroy, their industries and commerce by blockading the ports of the Continent of Europe. They were anxious to create a market for their goods in India. With this object in view, they did all they could to impose such terms on the East India Company on the occasion of the renewal of their Charter in 1813 as were calculated to promote their interests. They covered their selfish motives under the cloak of philanthropy. But a couple of years after the renewal of the Charter in 1813, the battle of Waterloo was fought, which resulted in the capture and exile of Napoleon. This was of great importance to England. The English industries were no longer threatened with extinction. The blockade being removed from the ports of the Continent against English goods and market being created for them in India gave a great impetus to the industries and commerce of England. The Marquess of Wellesley had waged his wars against the native princes of India on the ostensible plea of removing centres of intrigue with the French

It was presumed that the French had been intriguing with the princes of India and as a measure of self-defence it was considered necessary by Wellesly to exterminate the native States. Whether such a step was just or proper, and whether in going to war against the Indian princes, the Marquess was giving effect to that clause of the Charter Act of 1793 which declared that "to pursue schemes of conquest and extension of dominion in India are measures repugnant to the wish, the honour and policy of the English nation," were questions which the Marquess never troubled to take into consideration.

But whatever justification might be urged in favour of the wars of the Marquess Wellesly, there was none for those of the Marquess of Hastings. The French were no longer supposed to be intriguing with the native princes of India. The English historians do not tell us, but the terms the renewal of the East India Company's Charter in 1813 do not leave any room to doubt, that the wars against, and annexation of the territories of, the native princes were prompted by the following two considerations, *viz.*,—(1) to extend the territories under the British supremacy in India in order to find a market for English goods, and (2) to bring hilly tracts under the jurisdiction of the Company in order to find suitable places for the settlement and colonization of the English,

which was sure to follow on their free influx into India.

The renewal of the East India Company's Charter in 1813 was designed to toll the death knell of the Indian industries and to plunge Indians in poverty and misery. The merchants of England sent their agents and emissaries to learn the wants of the natives of the country and thus to enable them to successfully cater to their needs. Baboo Kissen Mohun Mullick, in a lecture delivered before the British Indian Association in June, 1871, said:—

“Soon after the abolition of the Company's monopoly in 1813, agents of certain respectable Liverpool Houses set up here with a view to take an active part in the import and export business of this country, * * I can speak from my personal knowledge that Mr. Donald McIntyre whose name must be familiar to you, busily employed himself for some years in collecting information regarding the cotton fabrics most in use and demand among the natives * * * procured samples of all kinds and species of cloths in use among the various classes of natives both in Bengal and the Upper Provinces. * * * White jaconets, cambrics, long-cloths (an imitation of a species of Madras cloth), Dhootees, scarfs, chintzes, lappets, Japan spots, and honeycombs were then imported on a large scale which would find a market as soon as landed, at highly remunerative prices, and the imports were multiplied as the consumption increased.”

How the Free Trade principle on which the Company's Charter was renewed in 1813 affected

the export and import trade of cotton goods in Bengal will be evident from the following statement published by Sir Charles Trevelyan in 1834:—

Statement of Export of Indian, and Import of European Cotton piece-goods and twist.

Years.	Cotton goods Exported.	Cotton goods Imported.	Cotton Twist Imported.
	Sicca Rs.	Sicca Rs.	Sicca Rs.
1813-1814	52,91,458	92,070	
1814-1815	84,90,760	45,000	
1815-1816	1,31,51,427	2,63,800	
1816-1817	1,65,94,380	3,17,602	
1817-1818	1,32,72,854	11,22,372	
1818-1819	1,15,27,385	26,58,940	
1819-1820	90,30,796	15,82,353	
1820-1821	85,40,763	25,59,642	
1821-1822	76,64,820	46,78,650	
1822-1823	80,09,432	65,82,351	
1823-1824	58,70,523	37,20,540	1st year of importa- tion.
1824-1825	60,17,559	52,96,816	1,23,145
1825-1826	58,34,638	41,24,159	75,276
1826-1827	39,48,442	43,46,054	8,82,743
1827-1828	28,76,313	52,52,793	19,11,205
1828-1829	22,23,163	79,96,383	35,22,640
1829-1830	13,26,423	52,16,226	15,55,321
1830-1831	8,57,280	60,12,729	31,12,138
1831-1832	8,49,887	45,64,047	42,85,517
1832-1833	8,22,891	42,64,707	23,87,807

Sir Charles truly observed:-

"Bengal piece-goods have been displaced in the foreign market to the extent of about a crore of rupees a year, and in the home market (cotton twist included) to the extent of about 80 lacs, being in all to the extent of about a crore and eighty lacs. Even the trifling quantity of piece-goods which is still exported is for the most part made from English twist."

In sympathising with the Bengal weaver, whose occupation was gone, Sir C. Trevelyan remarked:—

"What is to become of all the people who were employed in working up this great annual amount (1,80,00,000 Rs.) unless we favour their transfer to other employments by giving freedom to those branches of industry in which India really excels?"

But the Christian Government of India did not move its little finger to save the starving millions whose occupation was gone. It was not the interest of the English to do so. No, they were glad and congratulated themselves that the import of English goods into India was increasing every year, from which they concluded that India was getting prosperous!

But while English goods were over-flooding the markets of India, because they were imported on the principle of Free Trade, how were the Indian Manufactures faring? Why, they were not imported into England without paying duties. What was considered good for the English goose was not considered so for the Indian gander. The table printed in the following pages, shows the heavy duties which were levied on Indian manufactures when imported into England. It will be observed that the duties on some kinds of goods were lowered in the later years, *after their manufacture had been nearly crushed.*

Appendix No. 5.—(*Of Affairs of the East India Company.*)

An account of the Specific Rates of Duty chargeable in England on all Articles, the Year 1812 on those Articles; and the Rates of Duty now

Articles.	1812.	1813.	1814.	1819.	1823.	1824.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Arrow Root, per cent. on the value.	68 6 8	81 2 11	62 10 0	0 0 2 the lb. weight.	0 0 2	0 0 2
And further per cent. on the value.	2 13 4	3 3 4	..	...	...	...
Canes. Walking, Mounted, Painted or otherwise:—						
Ornamented, per cent. on value.	68 6 8	81 2 11	62 10 0	50 0 0	50 0 0	50 0 0
And further per cent. on value.	2 13 4	3 3 4	...	...	...	...
China Ware, per cent. on value.	109 6 8	129 16 8	125 0 0	75 0 0	75 0 0	75 0 0
And further per cent. on value.	2 13 4	3 3 4	...	...	...	...
or Porcelain, Coloured.	109 6 8	129 16 8	125 0 0	75 0 0	75 0 0	75 0 0
or Porcelain, Plain	109 6 8	129 16 8	125 0 0	75 0 0	75 0 0	75 0 0
And further per cent. on values of the above.	2 13 4	3 3 4	...	...	...	...
Coir Rope, per cent. on value.	68 6 8	81 2 11	62 10 0	50 0 0	50 0 0	50 0 0
And further per cent. on value.	2 13 4	3 3 4	...	...	...	...
„ Old, and fit only to be made into Mats per cent. on value.	68 6 8	81 2 11	62 10 0	50 0 0	50 0 0	50 0 0

Vol. II, Part 2, (Commercial—printed on 16-8-32—pp. 592—607.)

produce of the *East Indies*, showing the Alterations of Duty which have taken place since the chargeable on similar Articles imported from other countries.

1825.	1826.	1827.	1828.	1829.	1830.	1831.	1832.	Rates of Duty now chargeable on like articles the produce of other countries.			
								British Colonies		Foreign Countries.	
£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
0 0 2	0 0 2	0 0 2	0 0 2	0 0 2	0 0 2	0 0 2	0 0 2	0 0 1	0 0 2	per cwt.	...
...
30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0
..
30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0
...
30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0
15 0 0	15 0 0	15 0 0	15 0 0	15 0 0	15 0 0	15 0 0	15 0 0	15 0 0	15 0 0	15 0 0	15 0 0
..
0 10 9	0 10 9	0 10 9	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0
per cwt.	...	...	...	...	...	...	...	...	...	...	...
20 0 0	20 0 0	20 0 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0
			per ton wt.								

Articles.	1812.	1813.	1814.	1819.	1823.	1824.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
And further per cent. on value.	2 13 4	3 3 4	...	...	...	...
Cotton Manufactures, viz., Muslins Plain, *Nankin Cloths, Flowered or Stitched, Muslins or White Calicoes, For every 100£ of the value.	27 6 8	32 9 2	32 10 0	37 10 0	37 10 0	37 10 0
And further ditto	10 0 0	11 17 6	5 0 0	...	...	...
Calicoes, Plain, White; Dimities, plain, white for every 100£ of the value.	68 6 8	81 2 11	62 10 0	67 10 0	67 10 0	67 10 0
And further ditto	3 6 8	3 19 2	5 0 0	...	...	...
Prohibited to be worn, or used, in Great Britain.	...	...	...	...	...	...
Warehousing duty	3 6 8	3 19 2	5 0 0	...	...	...
Articles of Manufactures of Cotton wholly or in part made up, not otherwise charged with duty, for every 100£ of the value.	27 6 8	32 9 2	32 10 0	50 0 0	50 0 0	50 0 0

* By Treasury order, 22nd April, Nankin cloths paid £10 per cent. which rate was continued

—(Continued).

1825.	1826.	1827.	1828.	1829.	1830.	1831.	1832.	Rates of Duty now chargeable on like articles the produce of other countries.	
								British Colonies.	Foreign Countries.
£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
..
37 10 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0
..
67 10 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0
.
	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0	10 0 0

20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0

per Act 1826.

Articles.	1812.	1813.	1814.	1819.	1823.	1824.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Hair or Goat's Wool, Manufactures of, or of Hair or Goat's Wool and any other Material not parti- cularly enumerated or charged with duty, per cent. on the value.	68 6 8	81 2 11	62 10 0	67 10 0	67 10 0	67 10 0
And further per cent. on the value.	2 13 4	3 3 4	5 0 0	...	...	...
Horns, viz., Buffalo, Bull, Cow or Ox, the 100.	0 4 8	0 5 6 1/2	0 5 5	0 5 0	0 5 0	0 5 0
And further per cent. on value.	2 13 4	3 3 4	...	...	...	...
Lacquered Ware per cent. on value.	68 6 8	81 2 11	62 10 0	62 10 0	62 10 0	62 10 0
And further per cent. on value.	2 13 4	3 3 4	...	...	...	...
Mats and Matting, per cent. on the value.	68 6 8	81 2 11	62 10 0	50 0 0	50 0 0	50 0 0
Imported from a British Possession per cent. on the value.	68 6 8	81 2 11	62 10 0	50 0 0	50 0 0	50 0 0
And further per cent. on the value.	2 13 4	3 3 4	...	...	...	...
Oil of Anniseed per cent. on value.	68 6 8	81 2 11	0 3 9 per lb. wt.	0 4 0	0 4 0	0 4 0

—(Continued).

1825.	1826.	1827.	1828.	1829.	1830.	1831.	1832.	Rates of Duty now chargeable on like articles the produce of other countries.	
								British Colonies,	Foreign Countries,
£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0
...
0 2 4	0 2 4	0 2 4	0 2 4	2 4	0 2 4	0 2 4	0 2 4	0 2 4	0 2 4
...
30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0
...
20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	5 0 0	20 0 0
20 0 0	20 0 0	20 0 0	5 0 0	5 0 0	5 0 0	5 0 0	5 0 0	5 0 0	
...
0 4 0	0 4 0	0 4 0	0 4 0	0 4 0	0 4 0	0 4 0	0 1 4	0 1 4	0 1 4

Articles.	1812.	1813.	1814.	1819.	1823.	1824.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
And further per cent. on value.	2 13 4	3 3 4	..	...	...	...
Oil, Cocoanut ...	68 6 8	81 2 11	3 6 6	0 2 6	0 2 6	0 2 6
			per ton by Treasury order 22 Aug. 1814.	per cwt. until 8th June. 0 2 0 after 8th June		
And further per cent. on value.	2 13 4	3 3 4	...	0 2 0		
Excise Duty per lb.	0 2 0	0 2 0	0 2 0	0 1 6	0 1 6	0 1 6
Silk Manufactures <i>viz.</i> Bandannoes and all other Handkerchiefs, in pieces, not exceeding six yards in length.	Prohibited for Home use until 1826				...	...
If more than six yards and not exceeding seven yards in length.	Ditto	ditto	ditto	ditto	...	...
And further for every <i>additional</i> length, not exceeding a yard.	Ditto	ditto	ditto	ditto	...	...

—(Continued.)

1825.	1826.	1827.	1828.	1829.	1830.	1831.	1832.	Rates of Duty now chargeable on like articles the produce of other countries	
								British Colonies.	Foreign Countries
£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
...
0 2 6	0 2 6	0 2 6	0 2 6	0 2 6	0 2 6	0 2 6	0 2 6	0 2 6	0 2 6
...
To 5th Ap. 1 6	Transferred to		Customs.		...	...	...	...	...
..	30 0 0 percent. on value.	0 6 0 per piece.	0 6 0	20 0 0 per cent. on value	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0
...	30 0 0 percent. on value.	0 7 0 per piece.	0 7 0	20 0 0 per cent. on value.	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0
...	30 0 0 percent. on value.	0 1 0 per yard.	0 1 0	20 0 0 per cent. on value.	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0

Articles.	1812.	1813.	1814.	1819.	1823.	1824.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Silk Taffaties and other Plain or Figured Silks, not otherwise described.	Prohibited for Home use until 1826				...	...
.. The produce of and imported from a British Possession.	Ditto	ditto	ditto	ditto	...	..
.. Canton or China Crapes	Ditto	ditto	ditto	ditto	...	.
If flowered or tau-boured with silk.	Ditto	ditto	ditto	ditto	...	...
Manufactures of silk or of silk and any material, not otherwise charged with duty.	Ditto	ditto	ditto	ditto	...	...
Warehousing duties, chargeable on the above, although prohibited for <i>Home Use</i> , per cent. on the value.	3 6 8	3 19 2	5 0 0	...	...	..

-(Continued.)

1825.	1826.	1827.	1828.	1829.	1830.	1831.	1832.	Rates of Duty now chargeable on like articles the produce of other countries.	
								British Colonies.	Foreign Countries.
£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
...	30 0 0 percent. on value	0 10 0 per lb. wt.	0 10 0	30 0 0 per cent. on value	30 0 0	30 0 0	30 0 0		
...	30 0 0 percent. on value	0 10 0 per lb. wt.	0 10 0	20 0 0 per cent. on value	20 0 0	20 0 0	20 0 0		
...	30 0 0 percent. on value	0 10 0 per lb. wt.	0 10 0	30 0 0 per cent. on value	30 0 0	30 0 0	30 0 0	30 0 0	per cent.
...	30 0 0 percent. on value	1 4 0 per lb. wt.	1 4 0	30 0 0 per cent. on value	30 0 0	30 0 0	30 0 0		
...	30 0 0 percent. on value	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0		
...

Articles.	1812.	1813.	1814.	1819.	1823.	1824.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Soap, Hard, per cent. on value	68 6 8	81 2 11	62 10 0	50 0 0	1 8 0	1 8 0
And further per cent. on values	2 13 4	3 3 4	...	...	...	...
Spirits, viz. Arrak per gall.	0 1 8	0 1 11 ^{3/4}	0 2 1	0 2 1	0 2 1	0 2 1
Excise duty also until 1825.	0 19 1 ^{127/232}	0 19 1 ^{127/232}	0 17 0 ^{6/8}	0 17 0 ^{6/8}	0 17 0 ^{6/8}	0 17 0 ^{6/8}
Sugar* the cwt...	1 13 0	1 13 0	2 0 0	2 0 0	3 3 0	3 3 0
And further per cent. on value.	1 0 0	1 0 0	...	...	...	...
Tea, per cent. on the value.	6 0 0	6 0 0	6 0 0	All ex- cise un- til 8th June £96Cus- tom & Excise after 8 June	..	...
Excise ...	90 0 0	90 0 0	90 0 0			
An Excise Duty also until 1819 when the Duty was wholly collected by the Excise:—						
On all Tea sold at or under 2s. per lb.	...	...	...	96 0 0	96 0 0	96 0 0
Ditto above 2s. per lb.	...	...	...	100 0 0	100 0 0	100 0 0
Tortoise shell, rough, per lb.	0 3 4	0 3 11 ^{1/2}	0 3 11 ^{1/2}	0 4 0	0 4 0	0 4 0
Manufactured per cent. on value.	68 6 8	81 2 11	62 10 0	50 0 0	50 0 0	50 0 0
And further per cent. on values.	2 13 4	3 3 4	...	...	...	...

* Note.--A portion of the above duties on sugar was suspended under the authority of the Lords of the Treasury according to the average prices published in the Gazette

—(Continued).

1825.	1826.	1827.	1828.	1829.	1830.	1831.	1832.	Rates of Duty now chargeable on like articles the produce of other countries.	
								British Colonies.	Foreign Countries.
£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
1 8 0	4 10 0	4 10 0	4 10 0	4 10 0	4 10 0	4 10 0	4 10 0	1 8 0	4 10 0
...
0 17 6	1 2 6	1 2 6	1 2 6	1 2 6	1 2 6	1 2 6	1 2 6	0 9 0	1 2 6
⁵ / ₈ Wholly	Customs.								
3 3 0	3 3 0	3 3 0	3 3 0	3 3 0	3 3 0	3 3 0	3 3 0	1 4 0	3 3 0
...
...
...
96 0 0	96 0 0	96 0 0	96 0 0	96 0 0	96 0 0	96 0 0	96 0 0	Prohibited.	
100 0 0	100 0 0	100 0 0	100 0 0	100 0 0	100 0 0	100 0 0	100 0 0	ditto	
0 2 0	0 2 0	0 2 0	0 2 0	0 2 0	0 2 0	0 2 0	0 2 0	0 1 0	0 2 0
20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0	20 0 0
...

every four months until 1826, when the suspension closed.

Articles.	1812.	1813.	1814.	1819.	1823.	1824.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Wool (Cotton Wool) ... the 100 lbs.	0 16 11	0 16 11	0 16 11	0 8 7	6 0 0	6 0 0
Goods, Wares and Merchandize, being either in part or wholly manufac- tured, and not being enumerated or des- cribed, or otherwise charged with Duty, and not prohibited to be imported into or used in Great Britain :-				until 5th Ja- nuary 1820, after 5th Jany. 1820, £26. per cent. on value.	per cent. on value.	
For every 100£ of the value	68 6 8	81 2 11	62 10 0	50 0 0	50 0 0	50 0 0
Goods, Wares and Merchandize, not being either in part or wholly manufac- tured, and not being enumerated or des- cribed, or otherwise charged with Duty, and not prohibited to be imported into or used in Great Britain :						
For every 100£ of the value	26 13 4	3 13 4	31 5 0	20 0 0	20 0 0	20 0 0
And further per cent. on value.	2 13 4	3 3 4	...	...	...	...

in Great Britain "free of duty," or at the same rate which may be charged on British fabrics consumed in Bengal.

"Your Lordships must be aware of the immense advantages the British manufacturers derive from their skill in constructing and using machinery, which enables them to undersell the unscientific manufacturers of Bengal in their own country ; and although your petitioners are not sanguine in expecting to derive any great advantage from having their prayer granted their minds would feel gratified by such a manifestation of your Lordships' goodwill towards them ; and such an instance of justice to the natives of India, would not fail to endear the British Government to them.

"They, therefore, confidently trust, that your Lordships' righteous consideration will be extended to their British subjects, without exception of sect, country or color."

This petition signed by 117 respectable natives was unsuccessful. It was unsuccessful, because if the prayer of the petitioners had been granted, it would not have promoted the interest and happiness of the natives of India, for in the Charter Act of 1813 it was laid down that it was the duty of England to promote the happiness of the people of India ! According to Sir Lepel Griffin and many other Englishmen of his way of thinking, England stands in the relation of Providence to the inhabitants of India. So England knows what is good for India and what is calculated to promote the interest and happiness of the natives of India !

When the above mentioned petition was

unsuccessful, the London merchants connected with the *East India* Trade, to show their philanthropy addressed a letter to the Court of Directors of the East India Company, dated 13th October, 1832, in which they wrote :—

“We beg leave to lay before your Honourable Court a case which appears to us to be one of considerable hardship to the Indian manufacturers, and to the India export merchants, in order that your Honourable Court may examine into the same, and grant the relief we solicit on their behalf and our own, as connected with the India Trade.

“2. Piece-goods manufactured in Bengal, pay upon their entrance into Calcutta an inland duty of $2\frac{1}{2}$ per cent, and no drawback thereof is allowed upon exportation to the United Kingdom or elsewhere ; whilst upon indigo, cotton, hemp and tobacco, the whole inland duties are drawn back on exportation to the United Kingdom.

“3. It may be presumed that this distinction was adopted at a time when the latter articles were considered the staple productions of India, and it was deemed expedient to the growers, and when the justice and policy of protecting the native fabrics was not so apparent ; *few, if any, British manufactures being then imported into India.*

“4. But now, when the British goods are imported largely into that country, on paying a duty of $2\frac{1}{2}$ per cent. only, and whilst the Indian manufactures are subjected to a duty of 20 per cent. on silk, and 10 per cent. on cotton goods, upon their importation into the United Kingdom, it does appear to us, not only reasonable and fair, but a measure of wise policy towards the natives of India, to reduce, as much as may be practicable,

so great an inequality in duties, which give so marked a preference in favor of British goods ; and no relief could be more immediately applied, with so little sacrifice, as the occasion of the drawback of the inland duty of $2\frac{1}{2}$ per cent. on piece-goods exported from Calcutta to the United Kingdom.

"5. In proposing this course to your Honourable Court, we beg leave to call its attention to the policy of the British Legislature, by which a bounty is allowed on silk goods manufactured in the United Kingdom (whether manufactured from raw, or from foreign or British thrown silk), upon their exportation, of 3s. 6d. per lb. on all articles valued at 14s. per lb. and upwards, or say 25 per cent. on the 14s. being the supposed equivalent for the duties previously levied on the materials thereof ; and we trust that the Honourable Court will see the justice, under the peculiar circumstances of India, of following the same policy towards the native manufacturers of India, that the British Parliament has adopted towards British manufacturers.

"6. An Application to the British Government to reduce the duties on the cotton and silk fabrics of India imported into the United Kingdom has not been successful though signed by a very numerous body of the most respectable natives, and this disappointment would, we think, tend to enhance the merit of the concession now sought for.

"7. Having thus stated the chief points on which we rest the expediency of the measure we propose, we conclude by respectfully praying your Honourable Court to give early instruction to your Governments abroad to allow the inland duty of $2\frac{1}{2}$ per cent. on piece-goods, the manufacture of British India, to be entirely drawn back upon their exportation to the United Kingdom.'

Well, philanthropy does not go hand in hand with shopkeeping. So these shopkeepers who were signatories to the above letter knew what they were about when they indited it. It was not all philanthropic or altruistic considerations which could have led them to recommend

“to allow the inland duty of $2\frac{1}{2}$ per cent. on piece-goods, the manufacture of British India, to be entirely drawn back upon their exportation to the United Kingdom.”

But the above letter met with no better fate than the petition of 117 respectable natives of Bengal.

The authorities were determined to destroy Indian industries by all means in their power. Indian imports were subjected to heavy duties in England. But it may be argued that England and the countries to which Indian goods were re-exported from England, were not the only markets for Indian manufactures, and that their extensive native land gave to Indians a sufficiently large market. We, therefore, proceed to show that in India itself other means were employed to crush manufactures and dishearten the manufacturers. The inland transit and custom duties were imposed on Indian manufactures with the object, it would seem, of strangling home industries. It was due to the exposure of the abuses and malversation of the customs officers that the Indian Government was compelled to take

notice of the matter. Mr. Alexander Ross, when a member of the Supreme Council during the Governor-Generalship of Lord Bentinck, mooted the question of the abolition of these duties. Sir Charles Trevelyan was appointed to report on the matter. The report which he drew up was a very able State document referring to which Macaulay wrote:—

“I have never read an abler state paper, and I do not believe that there is, I will not say in India, but in England, another man of twenty-seven who could have written it.”

The nature of the transit duties and internal customs has been very well described by the Hon'ble Frederick Shore, son of Lord Teignmouth, in one of his “Notes on Indian Affairs” in reviewing Sir Charles Trevelyan's Report. He writes:—

“The native system of transit duties and internal customs, partakes more of the nature of a toll. It is charged at so much per ox-load, pony-load, camel-load cart-load, &c., without reference to the value of the goods. It is, generally speaking, so light, that there is no temptation to smuggle; there is no pretext for search on the part of the custom-house officers, no fines required; there are no forms to undergo; * * These tolls were probably payable every forty, fifty or sixty miles; so that, in reality, goods were subject to duty in proportion to the distance they were carried, which was paid by instalments as they proceeded. * *

“The English, strongly imbued with that prejudice which is so generally prevalent, that every native custom or system, must, of course, be inferior to what should

be introduced from England, in their wisdom, condemned the native arrangement *in toto*, and resolved to devise one which should free the merchant from these vexatious tolls. * * The principle on which the English system was formed was, to take the whole duty at once and furnish the merchant with a pass, (called rowannah), which should free him from all payment to the end of his journey. In the first place, it might have been supposed that as goods were to pay the same duty whether they were destined for a long or a short journey at least, the duty would have been fixed at the average of what was paid under the native toll system for greater and less distance ; but no ;—the standard fixed was the aggregate of all the tolls levied on goods proceeding to the greatest distances : thus, under the name of a consolidation, making an immense increase of the duty. This was the first specimen which the merchants experienced of the superior benefits of the English Government, imposing a much higher tax on their merchandise than they had ever paid before.

“The next point is the pass, or rowannah, which the merchant procures, when he despatches his goods, which is productive of immense annoyance. Suppose a merchant from Fattchghur sent off a boat-load of goods to Calcutta on their arrival at that city, unless he could dispose of the whole boat-load in one lot, the pass he had received at the former place was no longer any use to him ; he was obliged to carry it to the Custom-house, and exchange it for others adapted to the separate portions of his cargo, which he had disposed of to different people ; for this, he is charged an additional duty, of half a rupee per cent. ; but this is trifling, compared with the loss of time spent in attendance at the Custom-house, and the obstruction to the free sale, and the re-

removal of the merchant's goods. A pass is only in force a year; should the goods remain unsold at the expiration of that period, the merchant can procure an exchange or renewed pass; but he must give up the old pass before the expiration of the year, and prove the identity of the goods; and he then will receive his renewed pass on payment of half a rupee per cent. If he fails, he must pay the duty over again; and indeed, the difficulty of proving the identity of the goods, and the delay in the inquiry at the custom-house, and the consequent loss of time to the merchant is often so great, that many of them prefer, as a less evil, at once to pay the duty over again. ** There are many other difficulties caused to trade by this pass-system, one only of which I shall specify. In many cases, it is impossible for merchants to pay the duty and take out passes: when they are going to fairs and markets (which are often held at places fifty or even eighty miles from a custom-house), they cannot tell beforehand, what quantities of goods they may purchase, or sometimes of what description; for, on reaching the fair they may find certain goods which they had not previously thought of, very cheap; and, therefore, may buy a considerable quantity: they leave the fair with their purchases, intending honestly to pay the duty at the next custom house, but unfortunately before they reach it, they must pass within the limits of one of its outposts (chokies), and, according to law, the goods are liable to confiscation, for passing a chokey unprotected by a rowannah."

Then Mr. Shore refers to the search houses and the right of search being considerable impediments in the way of trade. He writes:—

"To prevent smuggling, it was deemed necessary to establish an immense number of these search-houses, each

containing an establishment whose duty it was to compare the goods with the passes. By law, no search-house or 'chokey' was to be fixed at a greater distance than four miles from a custom-house, * *. But in practice, the law was quite disregarded, and these search-houses were spread all over the country, sometimes at sixty or seventy miles distant from a custom house. * *. We will now consider the nature of the powers vested in the officers stationed at these posts. They possessed the right of search in the fullest extent, and were supposed to ascertain the species of goods, quantity, number, and description of packages, value of the goods, &c., and that these agree with what is stated in the pass. * *. It is evident that the delay and expense to the merchant would be so great, that, were the law fairly enforced by every search-officer, it would put an entire stop to the trade of the country.

"It has often been asked, why do not those who are subject to such extortions bring forward their complaints? Simply because they would lose rather than gain. They would find it impossible to obtain any redress, or only at such an expense and delay, that the remedy would be worse than the disease.

"We hear loud complaints of the impoverishment of the people, the falling-off of the internal trade, and the decline instead of the increase of manufactures. Is it to be wondered at? Could any other result be anticipated from the intolerable vexation to which all merchants are exposed by our internal customs? Mr. Trevelyan observes, that 'the profession of the merchant in the interior of the country is both unpleasant and disreputable, on account of the complete state of dependence in which the most respectable people are placed, on the meanest custom-house officer.' 'When respectable people in the provinces

who have capital lying idle in their hands, and who probably, complain of the difficulty of finding employment for it, are asked why they do not engage in trade, they almost invariably reply, that they cannot submit to supplicate every low custom-house officer on four rupees a month, who has the power of detaining their goods, under pretence of searching them.'

* * * * Native gentlemen at Delhi have, for the sake of employing their capital, engaged in the shawl-trade with Benares. The result has always been the detention of their goods at some custom-house, and their giving up the pursuit, after having suffered heavy losses. The poor natives of India submit to all this, as they do to every other extortion and oppression which they suffer at our hands because they look upon redress as hopeless; but hear the bitter complaints which were made to Lieutenant Burnes, (who knew nothing of our custom-house system) by the merchants of Bokhara. They actually declared that the vexatious annoyances and extortion practised on merchants in the British-Indian provinces, were infinitely greater than they experienced in Russia, Peshawar, Kabool, or Bokhara! * * * *

"The effect of this system upon manufactures, is to discourage all on a large scale, and to cause the whole of different processes to be performed in a petty way, on the same spot, however inferior those employed may be for some parts of the work, and however unsuited the locality may be. Where business is carried on on a large scale, the materials must, of course, often be brought in small quantities from a considerable distance, so that the great manufacturer has to pay a double duty,—once on the raw material, and again on the finished article; while the small manufacturer and dealer, who goes not beyond the line of chokies, either to procure the raw

material, or to sell his goods, avoids the payment of all duty. Shawls are, by one extraordinary system, made to pay a double duty, both together amounting to 20 per cent., leather pays three times, altogether 15 per cent., cotton four times, before it is made into cloth, altogether $17\frac{1}{2}$ per cent. So many articles are liable to double and treble duty, because the same pass which has been taken out for the raw material does not correspond with the manufactured article."

Then in a postscript, Mr. Shore adds:—

"We have for years been vaunting the splendid triumph of English skill and capital in carrying cotton from India to England, and, after manufacturing it there bringing the cloth to India, and underselling the natives, Is this any way surprising under such an intolerable system as is above described; and while the staples of India are almost proscribed at home? In fact, if this be continued much longer, India will, ere long, produce nothing but food just sufficient for the population, a few coarse earthen ware pots to cook it in, and a few coarse cloths. *Only remove this incubus and the tables will very soon be turned.* The other is the great self-complacence with which we talk of the confidence reposed by the people in our government, judging from the large sums which they invest in the Government funds. What are they to do with their money? * * * * Government, in their ignorance, have done all they can to annihilate trade and manufactures, which they will, unless they change their measures, accomplish in a few years more (the number of boats laden with goods which used to leave Furrukhabad twelve or fourteen years ago was at least *treble* what it is at present). Five or even four per cent. is better than nothing but it needs not the gift of prophecy

to foresee, that * * if the landed tenures in the North-Western Provinces were placed on a footing of security and if trade and manufactures were tolerated,—they do not require *encouragement*, but only to be exonerated from the present customs and duties,—not only would Government be unable to borrow at such low interest, but the price of the existing funds would speedily fall.”

It is true that the inland transit duty was abolished afterwards, but not till the industries in the British Indian provinces were so much crippled that there was no hope of their revival again.

While the Christian natives of England were congratulating themselves on the expansion of their export trade to India following the abolition of the Monopoly of the East India Company in 1813, what was the state of affairs regarding the Export Trade of Indian cotton and piece-goods to England? This question will be answered by the following table:

YEARS.		BALES.		PIECES,
1814-15	... ..	3,842	...	...
1818-19	... ..	536	...	...
1823-24	... ..	1,337	...	106,516
1824-25	... ..	1,878	...	167,524
1825-26	... ..	1,253	..	111,295
1826-27	... ..	541	...	47,572
1827-28	... ..	736	...	50,654
1828-29	... ..	433	...	32,626
1829-30	... ..	...	...	13,043*

* P. 883 Appendix to Report from Select Committee on the Affairs of the East India Company, Vol. II part ii (London 1832.)

The number of cotton piece-goods went on decreasing year after year and this state of affairs was not indicative of the material prosperity of the natives of Hindustan.

CHAPTER III.

THE EXPORT TRADE OF INDIA.

Sufficient attention has not been directed to the export trade of India. The export trade mainly consists of raw materials. For the proper development of Indian industries this export of raw materials from India should also be prevented. It has not benefited India in the least. India very largely exports food grains, for example, wheat, rice and pulses. By their export their prices have gone up and thus scarcity is severely felt in India in years of drought. The export trade is to a certain extent responsible for the famines which so frequently devastate large tracts of the Indian continent. The object of every civilized government is to reduce the struggle for existence, as far as possible, and not to make it keener. Now the export of food materials has just the opposite effect. Therefore, no government which exists solely for the good of people will encourage export of food materials. But it is quite a different thing with the Government of India. The interests of India are sacrificed for the benefit of the people of England. In his work on *National Life and National Character*, Mr. Pearson writes that :

"The corn of India has been transported at unremunerative rates upon Government lines, in order that the food of the people might be cheapened.".....

Yes it has been "cheapened" ; but "the people" referred to here are the people of England, not those of India. When England was an agricultural country, there were corn laws meant for the benefit of the proper population. It is necessary to refer to these corn laws to show how the State had the interests of its subjects at heart. Lecky writes :—

"The older policy of the country was to prohibit absolutely the exportation of corn, but with the increased production of agricultural interest, this policy was abandoned at the end of the fourteenth century, and after more than one violent fluctuation, a law of Charles II. established a system which was in force at the Revolution. Under this law free exportation was permitted as long as the home price did not exceed fifty-three shillings and four pence a quarter ; while importation was restrained by prohibitory duties until that price was attained in the home market, and by a heavy duty of eight shillings in the quarter when the home price ranged between fifty-three shillings and four pence and eighty shillings. At the Revolution, however, a new policy was adopted. The duties on importation were unchanged, while exportation was not only permitted but encouraged by a bounty of five shillings in the quarter as long the home price did not exceed forty-eight shillings. Arthur Young has devoted a considerable space to the subject of the corn laws, and he considers the English law one of the highest examples of political

wisdom. The system of an absolutely free corn trade which prevailed in Holland, would, he maintained, be ruinous in a country which depended mainly on its agriculture. 'The system of forbidding all exportation of corn, which prevailed in Spain, Portugal, and many parts of Italy, and during the greater part of the century in France, was altogether incompatible with a flourishing corn husbandry. Prices would be too fluctuating—in some years so low that the farmers would be ruined, in others so high that the people would be starved. It had been 'the singular felicity' of this country to have devised a plan which accomplished the strange paradox of at once lowering the price of corn and encouraging agriculture. 'This was one of the most remarkable strokes of policy, and the most contrary to the general ideas of all Europe, of any that ever were carried into execution' and 'it cannot be doubted,' he said, 'that this system of exporting with a bounty has been of infinite national importance.' Burke declared that experience, the most unerring of guides, had amply proved the value of the corn bounty of a means of supplying the English people with cheap bread* ;

Should not the Government introduce the provisions of the corn laws in India for the purpose of supplying the Indian people with cheap bread ? A government which has any sympathy for its subjects, should not hesitate to do so. India is mainly an agricultural country now, and the laws which proved so beneficial to England when that

* "Leckys' History of England in the Eighteenth Century, pp. 245-247,

country was an agricultural one, are sure to be equally so in the case of India also.

In years of drought and famine, instead of food grains, other raw materials are exported from India which are also detrimental to India's interests. These raw materials consist of bones and hides of cattle which die in large numbers in times of scarcity. This export trade in hides has greatly affected the leather industry of India. The export of bones takes away out of the country one of the best manures available.

Then again, the export of cotton has the tendency of making it dear in this country, and thus its export hampers the development of the cotton industry in India. Cotton seed yields a valuable oil and is a good food for cattle. Its export, therefore, involves great loss.

Thus we see that the export trade of India as it consists of raw materials only does not benefit India in any way. No agricultural country, least of all, India, requires any markets in any foreign country for her raw products. No, on the contrary all these raw products are needed to be retained in India for the proper development of her industries. Had India been an independent country, she would have prevented her export trade by legislation. Why, England had to resort to this procedure for the development of her industries. Lecky writes :—

"The offence of 'owling,' or transporting English wool or sheep to foreign countries, was treated with special severity, as it was supposed to assist the rival woollen manufactures of the continent. and the penalties against this offence rose to seven years' transportation.

"Penalties but little less severe were exacted against those who exported machines employed in the chief English industries, or who induced artificers to emigrate ; and any skilled workman who carried his industry to a foreign market, if he did not return within six months, after being warned by the English ambassador, was declared an alien, forfeited all his goods and became incapable of receiving any legacy or gift."*

But the British Government will not certainly do that for India which proved advantageous to the development of industries in England. The people of India must shift for themselves.

Does Foreign Trade Benefit India ?

Syed Mohammad Hossain, M.R.A.C., in his very valuable pamphlet on "Our difficulties and wants in the path of the progress of India" published in 1884, wrote:—

"It is a pity that our well-wishers, without considering the circumstances of the people and the density of the population, conclude that the encouragement of trade (in its present state), and increasing the means of communication will do good to India. They ought to consider that England, with a population of only 390 per square

* Lecky's History of England in the Eighteenth Century, Vol VII. p. 303.

mile, cannot produce enough for the consumption of its people, and has to depend upon the produce of other countries. In 1882 of wheat alone (omitting grain of all other kinds and meat) no less than 64,171,622 cwts. were imported from other countries into England, and of these 8,477,479 cwts. came from India.—*Journal of Royal Agricultural Society*, 1883, page xix ; while India, with a population 416 per square mile, is expected to enlarge her trade by exchanging her food for mere fancy articles and luxuries. We should go further in detail on this point, and contrast briefly the agricultural condition of both countries, according to the Census Report, the North-Western Province (which we have taken for our illustration) contains a cultivated area of 540,420 square miles which is equal to 34,586,880 acres ; and the population being 44,107,869, the average cultivated area per head is '78 (From xxi. page 2). The cultivated area of the United Kingdom is 50,432,988, and the population is 35,278,999 (the Financial Reform Almanack, 1882, pages 76 and 135), or 1'42 acre per head. Now, with all her improved and scientific agriculture, with the outlay of large capital with artificial manures and the aid of machinery, with an average yield of 30 bushels per acre England cannot support her people ; yet India, with her miserable modes of farming, with such insignificant farms and implements, with a scarcity of measures and means of irrigation, with an average yield of only 13 bushels (as per famine Report) or 18'7 bushels (per "Oudh Gazetteer") per acre, is expected to prosper by her trade, *viz.* exportation of grain and by the increase of the means of communication. The result of this trade is that when a bad year comes, or if in any year there is a falling off in the quantity of rainfall, famine threatens the country, thousands of people helplessly die, and the whole

affairs of the country are disturbed. In ordinary seasons, during four months of the year—May, June, December, and January, the lower class of peasants support their existence by living on wild herbs and wild grass seeds. the Mango and Mohwa fruit, or taking loans of grain from grain dealers. * *

According to the Famine Commission Report, (Part, i,p.50) in a season favourable throughout India, that is if there be no local requirements in any part of the country, owing to famine or a bad year, India has a surplus of 50,000,000 tons of grain for exportation from her produce. To make up this amount, Bengal is estimated to contribute the largest quantity, *i.e.* 1,200,000 tons, and the other eight provinces an average of less than 30,000 tons. Of these our Province (N. W. P., which is taken for our example), can send from its produce, after the consumption of its population, 60,000 tons. Now we can calculate how much the Province could enrich its population simply by exporting its surplus food. It has been proved above that the Province has nothing from its manufactory and industry to send abroad; and, as a matter of fact, besides a little opium and indigo, it does not grow any more valuable thing, such as tea, coffee, or even cotton, to such an extent that the produce need be taken into consideration. After all, then, there is nothing else left but grain for our trade. Now, for the sake of example, suppose that the Province yields, in an average year, a surplus of 660,000 tons, and that there is no increase of population to affect the surplus quantity, and that the whole quantity consists exclusively of wheat, and that it is sent to the market of extreme profit, say to London. Suppose further that our wheat is, in quality and in price equal to the American and Russian wheat in the market, and that the demand for and the

price of wheat (which has an inclination to fall) also remained as it is at present, and—let the rate of exchange be taken as not worth-considering, then I say, under all these favourable circumstances, our 660,000 tons of wheat, which are equal to 1478,400,000 lbs., at the present average rate of (round number), Rs. 27 equal to 45s. 1d. per quarter (or 500 lbs.), would be worth in round numbers 79,900,000 Rs. Excluding all other charges, such as commission on both sides, local freight, etc., the mere carriage of this quantity from India at the rate of 40s. or 24 Rs. per 2000 lbs. amounts to Rs. 17,740,800. Now after deducting this sum from the total value of the wheat, our net income is Rs. 62,159,200. The population being 44,107,869, therefore income from this trade per head per annum including cost and profit, is, at most, 1 rupee and 7 annas equal to 2s. 4d.

N. B.—The question of the charges of local carriages need a full discussion in two respects :—

“(1) The heavy rate, which is fully treated by Major Baring in his resolution, in which he proves that carrying 1 ton of wheat for 600 miles costs in India as much as it costs in America for carrying the same quantity more than 1000 miles, etc.

“(2) Owing to the railways being made with foreign capital our country derives very little benefit from what we pay for carriage.* *

“The reader should judge for himself, and consider whether this sort of trade has a tendency to increase the material prosperity or to cause the underfeeding of the people.” (pp. 59-61).

CHAPTER IV.

THE RUIN OF INDIAN MANUFACTURE.

The Board of Control of the East India Company proposed a list of queries upon subjects relating to the Trade with India. The queries were eleven in number and the list was conspicuous by the absence from it of any query relating to the welfare of any Indian manufacture. The answers to these queries are so instructive and they throw such sidelights on the ruin of Indian manufactures that extracts from them are given below.

the first query was :—

“What facilities have been afforded to persons trading with India, since the opening of the trade in 1814, by the repeal or modification of Duties or of Regulations in India injuriously affecting the Commercial Transactions of individuals ?”

Mr. Larpent's answer to this query ran as follows :—

“The import duties on the manufactures have been reduced to $2\frac{1}{2}$ per cent. *ad valorem*, and many of the staple articles admitted free of duty.

Regulations have been made to prevent, if possible, the injury sustained by the private merchant when in competition with the Company in the provision of silk and the purchase of other articles.

Transit duties have been modified and drawn back in many instances.

Permission is given under the Regulation of the 7th May 1824, then applicable to coffee, subsequently extended to indigo, to British subjects to hold lands in their own names on leases for 60 years."

Mr. Sullivan in replying to this query, said :—

"Since the opening of the trade in 1814, all inland duty on cotton has been taken off ; when exported to China the duty has been lowered to five per cent, and if the cotton is exported to England, no duty whatever is levied.

The Honourable Company's cloth investment has been discontinued for some time, all the weavers to the southward have been at the private merchants' command, to make up any quantity of cloth they might wish for."

One Mr. Crawford in reply wrote :—

"With respect to duties, the Statute of 1813 enacted, that no new tax should be imposed without the sanction of the home authorities. A new schedule of reduced duties was accordingly transmitted from England, and passed into a law by the Indian government in 1815. Fortunately for the commercial intercourse with Great Britain, the rate of duties then adopted has in general been steadily adhered to."

The Glasgow Chamber of Commerce wrote :—

"The admission of woollens, metals and marine stores into India, free of duty, has undoubtedly given great facility to the trade in these articles."

Thus the replies to the query show how the Charter Act of 1813 benefited the natives of England in their commercial transactions with India.

The second query was a very important one and its answer cover more than eleven pages of folio volume of the Report. This query ran as follows :—

“To what extent has the Trade with India increased since 1814, and with regard to the Exports from Great Britain, what degree has the increase consisted of British Staples ?”

The answers given to this query contain several useful tables showing the increase of Exports of British goods to India.

From Parliamentary Papers, 9th February, 1830, No. 37, the amount of value of British manufactures exported in 1814-15 to all parts of India was in

	£
1814: East India Company ...	826,558
Private Trade ...	1,048,132
Total	1,874,690

But according to Mr. Larpent the Export Trade of the United Kingdom to India in the year 1830 was £3,032,658, or an increase of nearly 62 per cent. in 16 years.

In reply to the above query, Mr. Bracken wrote :—

“It has increased very considerably, particularly with Bengal and Bombay :—

	Imports.	Exports
Bengal	£	£
1813—14 ...	877,917	2,767,624
1827—28 ...	2,232,725	4,898,018
Bombay		
1813—14 ...	92,698	305,154
1827—28 ...	819,693	508,592

In the year 1828-29 there was a still greater increase at Bombay; the imports amounting that year to £781,248, and the exports £833,767. In the same year there was a decrease in the whole import and export trade of

Bengal with Great Britain of £421,364. occasioned by the decreased exports of the East India Company, otherwise there would have been an augmentation; the private trade having increased £260,604.

The trade of Great Britain with Madras has also increased, but not to the same extent.

	Import.	Export.
<i>Madras</i>	£	£
In 1813-14	.. 271,749	436,513
.. 1827-28	... 258,740	715,873

Of the increased exports from Great Britain to India since 1814, a large proportion is formed of British staples and manufactures, embracing British capital and industry. The following particulars are not unworthy of attention, more especially cotton twist:—

Statement showing the value of the Principal Articles of Export (from England) to India in 1814 and 1828.

Articles.	1814	1828	Increase.
	£	£	£
Beer and Ale ...	50,022	99,037	49,015
British Cotton Manufacture ...	109,480	1,621,560	1,512,080
British Cotton Twist Manufactures ...	7	388,888	388,881
Earthenware ...	10,747	26,625	15,878
Glass ...	68,443	114,978	46,535
Hard-Ware and Cutlery ...	26,883	78,765	51,882
Iron, bar and bolt ...	107,927	155,038	47,111
„ cast and wrought ...	55,154	102,629	47,475
Leather and Saddlery ...	21,637	46,187	24,550
Linen Manufactures ...	23,434	36,120	12,686
Machinery ...	6,043	103,676	97,633
Spelter (1) ...	Nil	59,486	59,486
Stationery ...	38,494	84,735	46,241

In answering this query, Mr. Crawford wrote:—

“The actual exports of 1814, were £1,403,362 so that in 14 years’ time the increase was more than three-fold, not to say that the prices of 1814 were high war prices, and those of 1828 low peace price.”

The exports have generally consisted of British staple manufactures, and the following short enumeration will show the increase between 1814 and 1828;.....

(1) In 1827, the exportation of spelter to Calcutta was much larger—£ 104,822.

Commercial year.	Total value. £	Copper. £	Iron. £	Woolens. £	Cotton goods. £	Twist. £
1813-14	5,376,775	78,581	230,547	184,521	91,835	Nil
1814-15	4,099,165	396,323	278,746	44,712	43,346	.....
1815-16	5,752,886	411,884	455,078	122,619	261,846	.....
1816-17	8,051,112	542,267	583,610	238,616	313,102	.....
1817-18	13,562,962	891,601	821,433	574,184	1,120,909	.....
1818-19	15,944,495	1,130,329	617,089	735,611	2,655,192	.....
1819-20	8,633,573	1,835,112	333,935	911,618	1,585,890	.....
1820-21	11,320,797	2,441,403	632,390	1,719,268	2,555,908	.....
1821-22	15,163,826	2,464,659	610,419	2,511,495	4,681,870	.....
1822-23	18,098,611	1,903,566	619,869	2,010,422	6,577,279	.....
1823-24	15,862,534	2,382,938	661,136	1,648,986	3,716,273	.....
1824-25	17,607,786	2,235,434	567,262	1,587,314	4,627,765	81,145
1825-26	12,868,607	489,165	743,998	889,683	3,665,461	141,305
1826-27	12,858,348	831,672	502,005	1,083,978	3,804,022	809,052
1827-28	18,991,756	1,903,401	592,084	2,415,759	4,930,139	1,842,110
1828-29	.....	.....	.....	.....	.....	.....
1829-30	16,125,941	2,662,383	494,021	866,486	5,061,861	1,437,126
1830-31	20,073,354	4,601,634	620,994	1,425,918	5,818,247	2,917,969

	1814.	1828.	Increase per cent.
Broad cloths, stuffs and camlets pieces ...	17,790	49,502	178·20
Calicoes, plain, printed, etc., yds. ...	680,234	34,843,110	5,022·22
Cotton, Twist lbs. ...	8	4,558,185	56,977,212·50

In answer to this query, the Manchester Chamber of Commerce and East India Committee wrote :—

“The increase in the staples of Lancashire is believed to be without a parallel. The export of British cotton manufactures and twist to India and China, in the years ending 5th January 1815 to 1831, is exhibited by the annexed table, framed from papers presented to the House of Commons.

	White or plain Manufac- tures. Yards.	Printed or Dyed Manufac- tures. Yards.	Total. Yards.	Cotton Twist. lbs.
1815	213,408	604,800	818,208	8
1816	489,399	866,077	1,355,476	.....
1817	714,611	991,147	1,705,758	624
1818	2,468,024	2,848,705	5,316,729	2,701
1819	9,614,381	4,227,665	8,842,046	1,862
1820	3,414,060	3,713,601	7,127,661	971
1821	6,724,031	7,601,245	14,325,276	224
1822	9,919,136	9,976,878	19,896,014	5,865
1823	11,712,639	9,029,204	20,741,843	22,200
1824	13,750,921	9,540,813	23,291,734	121,500
1825	14,858,515	9,666,058	24,524,573	105,350
1826	14,214,896	8,844,387	23,059,283	235,360
1827	16,006,601	10,218,502	26,225,103	919,387
1828	24,786,540	12,962,765	37,749,305	3,063,856
1829	27,086,170	10,498,666	37,566,836	4,549,219
1830	.....	.....	39,773,698	3,185,639
1831	.....	.....	52,179,844	1,494,995

“The following table, showing the total value of merchandise imported at Calcutta from Great Britain by

the private trade, for 15 years, say, from 1813-14 to 1827-28, has been communicated by a merchant of Calcutta.....The continuation of the table for the two years 1829-30 and 1830-31, is taken from Bell's Comparative View of the Commerce of Bengal. The particulars of the year 1828-29 are wanting."

The price of almost every raw produce of India was much lower in England in 1830 than in 1814. This either goes to show that the private traders who were let loose on India by the Charter Act of 1813 were compelling the mild natives of this country to sell their raw produce at such a low price as the English Christians dictated to them, or that there being no or little demand for their raw products in India, (for the indigenous industries and manufactures had almost been crushed), the growers and producers of them sold them at very low prices. Such would seem to be the case with such articles as cotton, wool, and raw silk. In 1793, one pound of cotton-wool fetched 1s. 3/4d. but in 1815, it was priced 11 1/2d. and in 1831, 5d. only. In 1793, one pound of raw silk was priced 21s., in 1815, 18s. 1d. and in 1831, 13s. 7 1/2d. only. It is preposterous to suppose that the prices were high before 1813, on account of the monopoly of trade being enjoyed by the East India Company. Even then much of the profit remained in India, as wages of the middlemen. The Banians or Sircars as they were

called, employed by the company to purchase Indian Staples for them, were natives of India.

From the testimony of Mr. Sullivan, it appears that the private merchants were not very fair in their dealings with the natives. He wrote :—

“.....but, nevertheless, the Honourable Company paid more for their goods than the private merchant, which may be accounted for as following : no public agent can ever procure any large quantity of goods at the same price the private merchant does ; the private merchant’s purchases are limited, and when he does not wish to exceed a stipulated sum, and cannot procure the article he wants on his own terms, will decline purchasing. With the public agent it is different : the native agent knows as well as the resident that he has received certain orders to purchase a certain quantity to be ready by a certain time : they keep up their price, and make the resident on most occasions come into their terms. The charges on the Honourable company’s goods are great from the nature of the carriage, and I do not think they can derive any advantage from their trade except by way of remittance.”

The interests of the Indian producer were sacrificed for the benefit of Englishmen. For what did the lowering of the price of Indian products mean ? Mr. Wood wrote :—

“If by any change in the system of conducting the Indian trade the price of its products could be reduced the interests of the Indian cultivator or producer would suffer. A high price in India operates as a premium to industry, in the same way as a high price of corn in England, and if the price of sugar, indigo, or cotton

were to fall, it would cause the land producing the same to be thrown out of cultivation, or to be cultivated by some crop which would yield a greater return than the articles now cultivated for exportation,"*

The above remarks of Mr. Wood were quite true.

How the industries of India were ruined by the Free trade policy of England since the passing of the Charter Act of 1813, the following will show.

Mr. Mackillop wrote :—

"Prior to 1814, cotton piece-goods were shipped extensively to England from Bengal, and a considerable supply of raw cotton was also sent frequently from both Bengal and Bombay ;.....

The exports to India have increased considerably since 1814: then, for instance, spelter, cotton yarn, and cotton piece-goods were usually imported into Europe from India, but now they are all exported from England in very large quantities."

Mr. Rickards wrote :—

"The principal articles imported into India from Britain, are cotton piece-goods, twist, woollens and metals, including spelter.....of the increase of British manufactured articles which has taken place in the period alluded to, some idea may be formed from the following facts given in evidence. The first import of cotton twist into India occurred in 1821. In 1824, about

* P. 380 (Appendix 4) Vol. 11, part II, Affairs of the East India Company. Ordered by the House of Commons to be printed, 16th Aug. 1832.

120,000 lbs. were imported ; in 1818, about 4,000,000 lbs. In 1815 the importation of British white and printed cotton goods into India, was about 800,000 yards ; in 1830, it was about 45,000,000 yards.”*

The answer which the fourth query elicited are very important as they throw much sidelight on the mode in which the East India Company carried on their Commercial transactions in India. The query ran as follows :—

“What are the practical effects of the union of government with Trade in India ? In point of fact, have the powers of government been employed to place rival Merchants under any unfair disadvantages in Trade ? Has Rivalry in Trade been found to be productive of any undue bias to the proceedings of Government as a Government, when rival Merchants are concerned ? If any inconveniences to the public do in fact arise from the union of the two operations, do they or do they not outweigh the advantages of the Company.”

In answer to this the Liverpool East India Committee wrote :—

“The system pursued by the East India Company in the conduct of their commercial transactions in India may generally be said to be oppressive to the interests of the British merchants, and unprofitable to themselves.

We believe that the practical effects of the union of government with trade in any country must be prejudicial to the general interests of commerce ; and that this has been the case with the East India Company there is abundant evidence to prove.

* P. 517. *Ibid.*

It has been shown that the native dealers in India are both afraid and unwilling to dispose of these articles of produce to private merchants, which the Company are in the habit of purchasing, until they have first ascertained their wants, and the wishes of commercial agents ; and it must be obvious, that where the public revenue of the State is brought into collision with the capital of private merchants in the same market, the result must be disadvantageous to the latter."

Mr. Larpent in answer to the above query, quoted the memorial of London merchants in which they stated that,

"So long as the 31st Regulation of the Bengal Government, of the year 1793, remains unrepealed, the East India Company avails itself of its political authority to increase its mercantile profits.

"When it is considered how strong the habitual feelings of deference to authority are in India, and the mode in which the raw produce or manufactured goods of that country are obtained, namely, that of advance, the character assigned to this Regulation in the Preceding paragraph will not be thought too strong. By it, no persons in balance to the Company, or engaged in any way in the provision of their investment, can withdraw from their employ ; they cannot work for others or for themselves. If they do not fulfil their contract they are put under the restraint of peons, and the goods they manufacture, or their articles of produce, are liable first to the Company, although they may be indebted to others:

Mr. Richards' reply was an important one. He wrote :—

"In a publication of mine in 1813, sundry extracts are

given from the Diary of the Commercial Board at Surat, in which the following facts will be found to be fully substantiated, as the ordinary course of proceeding of the Company's commercial servants, between the years 1796 and 1811, *viz.*—"That the Surat investment was provided under the most rigorous and oppressive system of coercion; that the weavers were compelled to enter into engagements and to work for the Company, contrary to their own interests, and of course to their own inclinations, choosing in some instance to pay a heavy fine rather than be compelled so to work; that they could get better prices from Dutch, Portuguese, French and Arab merchants, for inferior goods, than the Company paid them for standard or superior goods; that this led to constant contests and quarrels between the agents of the foreign factories and the Company's commercial residents, and to evasion and smuggling on the part of the weavers, for which on detection they were subject to severe and exemplary punishment, that the object of the commercial resident was, as he himself observed, *to establish and maintain the complete monopoly, which the Company had so sanguinely in view, of the whole of the piece-goods trade at reduced or prescribed prices*; that in the prosecution of this object compulsion and punishment were carried to such a height, as to induce several weavers to quit the profession; to prevent which, they were not allowed to enlist as sepoys, or even on one occasion to pass out of city gates without permission from the English chief; that so long as the weavers were the subjects of the Nabob, frequent application was made to him to punish and coerce weavers, for what was called refractory conduct, and when severity was exercised towards them the Nabob (who was but a tool in the hands of the British government) was desired to make it appear as the

Voluntary act of his own government, and to have no connexion with the Company or their interest, lest it should excite ill-will or complaint against the Company's servants : that to monopolize the piece-goods trade for the Company at low rates, it was a systematic object of the resident to keep the weavers always under advance from the Company, to prevent their engaging with other traders ; while neighbouring Princes were also prevailed on to give orders in their districts, that the Company's merchants and brokers should have a preference to all others, and that on no account should piece-goods be sold to other persons ; that subsequently to the transfer of Surat to the British government, the authority of the Adawlut (our own court of justice) was constantly interposed to enforce a similar series of arbitrary and oppressive acts ? ”

“As long as the Company continued to trade in piece-goods at Surat, this was the uniform practice of their commercial servants. It may be taken as a specimen of the practice of other factories, and nothing more than the natural consequence of uniting power and trade in the same hands.

In Lord Wellesley's well-known letter of 19th July, 1814, to the Madras Government, a similar course of arbitrary proceeding is detailed as being the practice of the commercial factories under that Presidency. If reference be had to that letter, it will be seen, on the faith of the highest official authority, how the power of the sovereign has been arbitrarily and habitually exercised not only to favour and promote his own commercial dealings, but to throw obstructions in the way of private enterprise, fatal to the interests and pursuits of the regular and more legitimate traders of the country.

I can not explain myself better on this head than in

the words of an answer to my examination of July, 1831. A commercial resident, anxious to promote the Company's interests, or dreading the consequences of disappointment in completing the company's investment, naturally desires to secure in its favor all the advantages which power can give it. To this end arbitrary and oppressive acts are encouraged or connived at, till the commission of them comes to be considered as zealous performance of official duty: and this must ever be the case where power and commercial dealings are committed to the same hands."

"In Mr. Saunder's evidence, of March 1831, this spirit is stated to prevail, and the most arbitrary and oppressive acts to have been committed up to the year 1829, in those districts of Bengal where the Company's silk factories are established. Mr. Saunder's evidence is very important, in distinctly showing not only that a practice very similar to that above described as the former practice at Surat, prevailed in the Bengal silk factories up to the latest period but that the Company's interference had the effect of raising prices upwards of 40 per cent. between the year 1815 and 1821; and that this high price continuing, so that great losses were sustained on the sales in England, an attempt was made in 1827, by an equally arbitrary proceeding, to reduce the prime cost of the article, and orders were accordingly given to cause it to be fixed by the *buyers* of the commodity, without the least reference to the will or the interest of the *sellers*.

"....that when a sovereign exercises trade, or a merchant is allowed the use of power, that power is, under all circumstances, and by whomsoever administered, sure to be abused, and perverted to the most pernicious purposes.

“When I was in India, several treaties existed with Native Princes, in which, where any branch of the Companies trade was concerned, or likely to be promoted stipulations were invariably inserted, either for a monopoly of such branch in favour of the Company, or to give the Company’s agents a preference in their dealings therein over all private merchants. The history of Bengal contains a series of the most iniquitous proceedings founded on such treaties with the Nabobs of Bengal, both previous and subsequent to the year 1765I believe the same principles to be in force in the present day, of which some notable examples may be found in the history of the late transactions regarding Malwa opium and treaties with Malwa princes.”

The only other query which we need refer to here is the last one, *viz.*, the eleventh, which ran as follows :—

“Can any measures, not involved in previous questions, be suggested, calculated to advance the interest of Indian commerce, such as the improvement or increase of the exportable productions of India, &c. &c.”

It may be thought that this query was meant to do justice to the industries of India. But nothing of the sort was ever intended by the framers of it. Their sole object was how to enrich their own countrymen at the expense of India. This is borne out by the majority of the replies given to the query. We will first reproduce below the answers of the four distinguished Chambers of Commerce which carried on trade with India.

(1) One Mr. Henry Gougar in his "Personal Narrative of the two years imprisonment in Burmah"* writes :—

"The East India Company competed with the private trader in the production of raw silk. They had their commercial residents established in the different parts of the silk districts, whose emoluments mainly depended on the quantity of silk they secured for the Company, who permitted these agents (or *residents* as they were termed) to charge them a certain commission on its value.

"The system pursued by both parties was thus :—Advances of money before each bund or crop, were made to two classes of persons—first, to the cultivators who reared the cocoons : next, to the large class of winders who formed the mass of the population of the surrounding villages. By the first, the raw material was secured ; by the last the labour for working it. These advances were regarded as legal earnest money, or as pledges by the receivers to confine their dealings to the party disbursing it.

"The larger the quantity of silk the resident provided for his masters the greater was his remuneration,—a state of things which naturally created a jealousy between the functionary and the private trader, as their interests clashed. But there was no equality in the competition, the one being armed with arbitrary power, the other, not. I will state a case of everyday occurrence.

"A native wishing to sell me the cocoons he produces for the season takes my advance of money ; a village of winders does the same. After this contract is made, two of the Residents' servants are despatched to the village,

* "A personal narrative of two years' imprisonment in Burmah, 1824-26, by Henry Gougar." London ; John Murray, 1860, p. 2.

the one bearing a bag of rupees, the other a book, in which to register the names of the recipients. In vain does the man to whom the money is offered protest that he has entered into a prior engagement with me. If he refuses to accept it, a rupee is *thrown into his house*, his name is written down before the witness who carries the bag, and that is enough. Under this iniquitous proceeding, the Resident, by the authority committed to him, forcibly seizes *my* property and *my* labourers even at my own door.

"Nor does the oppression stop here. If I sued the man in Court for repayment of the money I had thus been defrauded of, the judge was compelled, before granting a decree in my favour, to ascertain from the Commercial Resident whether the defaulter was in debt to the East India Company. If he was, a prior decree was given to the Resident, and I lost my money.

"Another weapon in the hand of the Resident was the settlement of prices to be paid to the cultivators at the close of each season, the East India Company's price regulating that of the private trader. The higher the price, the greater his commission,—the money was not his own, and his masters had a long purse."

The Manchester Chamber of Commerce and East India Committee wrote :—

"The improvement and increase of the exportable productions of India would doubtless be a great good to India, and *not to India merely but to this country*. The improvement in the quality of Indian cotton is an object of paramount importance to the prosperity of the cotton manufactures of Great Britain, so much so, that every facility should be afforded to the speedy development of whatever India is capable of accomplishing in this way ; but we have no specific measure to suggest, unless it be

the obvious one of permitting British subjects to hold land."

No comments are needed on the above reply of the Chamber of Commerce. It clearly shows (especially the passage we have put in italics) the selfish object the Chamber had in view when it made the above recommendation.

The Glasgow Chamber of Commerce wrote :—

"Every improvement or increase of the exportable production of India, would, no doubt have that effect ; and with a view effectually to promote such desirable objects, we earnestly hope that the license system by the East India Company shall be entirely abolished, and every encouragement and facility, consistent with the safety and tranquility of India, will be granted to British subjects going there, from whose skill, capital and enterprise most beneficial results may reasonably be expected."

The answer of the Glasgow Chamber also shows like that of Manchester that they wanted to benefit their own kith and kin and not the manufacturers of India.

The Liverpool East India Committee suggested,

"that encouragement be given to men of talent, particularly acquainted with the best modes of raising and improving the different products of India, to settle in the interior of the country."

The Hull Committee also made the same suggestion as did the Liverpool East India Committee. Then it concluded by saying :—

"Since the Directors of the Company have been the monarchs of our vast possessions in India, no facilities of communication with the interior by roads have been afforded, nor has any improvement in the culture of its soil and its various products been made ;.....How widely different would the condition be of this important part of the globe, and its vast population, were the Company to confine themselves to their magisterial duties, and no longer act on the narrow principles of rival and monopolizing merchants ! The advantages arising from such a change (the right of colonization being granted) would be incalculable, both to ourselves and the native inhabitants of India ; to ourselves it would afford a most inviting opportunity for the investment of capital ; be an inexhaustible source for the extension of commerce and manufactures, and for the employment of shipping ; a source in these respects more highly important, because free from foreign competition and control. It would afford inducements to the emigrant far beyond either Canada, the United States, or New Holland ; and would greatly and permanently improve our national as well as individual prosperity. *As to the natives of India, this change of system would tend by their increased intercourse with Britons, to enlighten and civilise them, to dispel the horrors of their superstition and idolatry, and greatly to facilitate their improvement, general welfare and happiness.*

Yes, Indians are being civilized off the face of the earth by famine and plague and other epidemics following on the track of the impoverishment of the people in consequence of the ruin of their industries.

Most of those gentlemen who replied to this query demanded encouragement to their country-

men to settle in India without which they thought the interests of Indian Commerce would not be advanced. According to Mr. Larpent the measures proposed to benefit Indian Commerce, were :

1. "A remodelling of the Customs table.
2. Equalization of the duties on Indian sugar.
3. Reduction of duties on Indian cotton and silk manufactures, which pay here 10 and 20 per cent. *ad-valorem*, whilst British manufacturers in India pay 2½ per cent. only.
4. Opening of new ports for the importation of Indian goods, and extension of the bonding system into the interior of the kingdom on articles heavily taxed.
5. Encouragement to persons to settle in India."

Mr. Mackillop in the course of his reply wrote :---

"It would obviously be to the advantage of exporters of goods from this country, were the duties reduced on the importation of Indian produce to England. I allude particularly to sugar, silk piece-goods, paper, and almost every description of spices, etc. *It is acting inconsistently to encourage the exports of a country, and at the same time to repress the importations of the State to which the exports are sent ; it, is, in fact, a system of trade not calculated to be beneficial to either party.*"

The words which have been put in italics show that Mr. Mackillop took a statesmanlike view of the situation, but he spoke to deaf ears, for it was not the interest of England to encourage the industries of India. .

Mr. Wood suggested the construction of roads

and canals in India for facilitating the transport of the produce of that country. He wrote :—

“Very little has been effected by way of opening the communication with the Presidency by land, and the roads have been left in a much worse state than when under the government of the Moguls; the remains of their roads and bridges are to be seen throughout the country; and although we have been so long in possession of the country, the roads within 30 miles of Calcutta are impassable for carriages in the rainy season.”

Well, Mr. Wood forgot that India appeared to the Britishers to be a milch-cow whom it was their *duty* to go on milking without giving it any sustenance. Mr. Wood was not aware of the fact that it was not considered in those days the *duty* of the British Indian Government to construct roads and canals in India for the benefit of the natives of this country. Thus Mr. N. B. Edmonstone who had filled very high offices in India, in his evidence as a witness before the Parliamentary Committee on the 16th April, 1832, was asked :

“1710. Since we have derived a large revenue from the territory of India, amounting now to £20,000,000 annually, can you point to any great improvements in the way of public works, such as works for irrigation, roads, bridges, or any great public works in the country by which any marks appear of the benefits derived from our Empire there?”

In reply, Mr. Edmonstone said

“Not from public works; that has generally been left

to the industry and skill of the native landholders. There has been one work of that description that has been of very great importance, the renewal of some canals anciently drawn from the Jumna in the north-west quarter of India, which have been carried through a great extent of arid territory, and been productive of very great increase of revenue."

Mr. Edmonstone was then further asked :—

"1711. In that single and small sample, is there not evidence of the vast benefits that a paternal government might confer upon that country ?"

He said :—

"I am not aware in what manner the public resources could be applied in that way. All the lands being private property, it necessarily depends upon the proprietors of those lands to introduce such works and improvements as they find calculated to promote their own interests."

The above characteristic reply of Mr. Edmonstone should be borne in mind by our present-day rulers who look upon land revenue not as tax but mere rent and who say that the people have no private right in the land.

Mr. Rickard's reply was the most important one and it covers more than five pages of the folio volume. He wanted reforms in the administration of India and he concluded his reply by saying :—

"Should these reforms be found to conduce to the internal prosperity of India, the objects desired in this question would be most fully accomplished; for by

increased prosperity on the one hand, and the entire abolition of the Company's trade on the other, the most effectual measures, as well direct as indirect, would thus be adopted, to advance the interests of Indian Commerce, and not only to increase the exportable productions of India, but those of Britain also."

The reforms which Mr. Rickards proposed were far reaching in their consequences, and had they been then granted, there would not have been that amount of discontent in India which exists now. He was in favor of conferring on the natives of this country a modified system of representative government. He also pointed out the unfairness and injustice in levying heavy duties on Indian imports in England. He wrote:—

"The rates of duty imposed on Indian imports into Britain, when, compared with the exemption from duty of British staples into India (cotton goods being subject to a duty only 2½ per cent.), constitute an important feature in the present question. Indians within the Company's jurisdiction, like English, Scotch or Irish, are equally subject of the British Government. To make invidious distinctions, favoring one class, but oppressing another, all being subjects of the same empire, cannot be reconciled with the principles of justice; and while British imports into India are thus so highly favored, I know that Indo-British subjects feel it a great grievance that their commodities when imported into England should be so enormously taxed."

"..... the system of duties on British goods imported into India, compared with those on Indian goods imported into Britain, both being equally the property of Bri-

tish subjects, it is liable to this inconsistency, that British staples imported into India are admitted duty free, whereas Indian produce is charged with enormous duties in this country, many articles of ordinary consumption being subject to duties exceeding 100, and from that up to 600 per cent., while one article as high as 3,000 per cent." ...

"But the greatest obstruction of all to the extension of Indian Commerce, both internal and external, is the land-tax, *one-half of the gross produce of the soil*; an import which paralyses the energies of the great mass of the people by consigning them to irretrievable poverty ;

But Mr. Rickards spoke to deaf ears; he was crying in the wilderness. No one paid any heed to what he said.

CHAPTER V.

GRANTING OF SPECIAL PRIVILEGES TO BRITISHERS IN INDIA

The English philosopher Herbert Spencer wrote the following letter to Baron Kaneko of Japan :—

“Respecting the further questions you ask, let me, in the first place, answer generally that the Japanese policy should, I think, be that of *keeping Americans and Europeans as much as possible at arm’s length*. In presence of more powerful races your position is one of chronic danger, and you should take every precaution to give as little foothold as possible to foreigners.

“ It seems to me that the only forms of intercourse which you may with advantage permit are those which are indispensable for the exchange of commodities—importation and exportation of physical and mental products. No further privileges should be allowed to people of other races, than is absolutely needful for the achievement of these ends. Apparently you are proposing by revision of the treaty with the Powers of Europe and America to open the whole Empire to foreigners and foreign capital. I regret this as a fatal policy. If you wish to see what is likely to happen, study the history of India.”

It was evidently with reference to the above

letter that the *Modern Review* for November, 1921 (pp. 619-620) wrote :

“It was a very sane advice given to a Japanese gentleman by Herbert Spencer that the Japanese government should not give any commercial or industrial concessions to any European nation in Japan. The grant of such concessions ultimately leads to the annexation or what the modern Europeans call conquest of the country which grants them concessions. It is the introduction of the thin end of the wedge in the body politic of the concession-giving country, which brings about its subversion and ruin. Very truly has an American author said :—

“ The most refined methods of annexation are through loans and railways. The weak nation borrows, and the interest is not paid. The lender takes possession of the custom houses to collect the interest on the debt and it is very easy for custom house control to spread to the control of the towns and then the country.....By the railway conquest, the undeveloped nation agrees that a railway shall be built in its territory by representatives of some more powerful nation. Such were the Russian railways, across Manchuria to Vladivostok and to Port Arthur. The railways and the workers thereon required protection. The difference between police protection and an army is a line that has never been pointed out and Russian soldiers in great multitudes entered Manchuria, which the whole world recognised in a few years as essentially a Russian province, as Egypt is an English province, despite the sovereign claims of an ornate

Khedive in Cairo and a despotic Sultan on Constantinople. By the war of 1904 Japan took the rights to some of the Manchuria railways from Russia by force. China was no less dismembered by the change in concessionaires who were really conquerors.”*

The ruin of Indian trades and industries as well as the political downfall of India may be said to have dated from the day when the Mogul Emperor with the generosity and magnanimity characteristic of an Asiatic Sovereign granted such terms to the foreign Christian merchants of the British nationality trading in India which no modern Christian power would ever think of giving to any Christian or non-Christian people. Under the guise of traders, the foreigners were conspiring for the conquest of India. Unfortunately the plot of the scheming and designing foreigners was not discovered nay, not even suspected by the simple-minded folks of that country. Whether the latter would have been able to avoid being entrapped in the net which the foreigners were weaving round them, had they discovered or even suspected it in time is a question which it is not necessary to consider here. But ever since the British acquired power in India, it has been their systematic policy not to develop and encourage

* *Industrial and Commercial Geography* by J. Russel Smith, New York, Henry Holt and Company, 1913.

the indigenous industries and trade of India and to paint Indians as lacking in energy and business capacity, incapable of organizing industries, hoarding their wealth and not investing the same for the creation and maintenance of new industries. All this animus against Indians is explained by the proverb which says that "one hates the person whom he has injured."

Even when India shall have won Swaraj the foreign owned railways, industries and other business enterprises will most probably be used successfully to keep India in economic bondage, which may again lead to political bondage.

It was the grant of the special privileges to the English merchants which led to the conspiracy against Siraj-ud-dowla and the Battle of Plassey. "Give them an inch and they will ask for an yell." The British merchants were never satisfied with what they had got but asked for more and more and this led to their conspiring against Meer Qasim and his dethronement. They behaved like a pack of hungry wolves or vultures. According to Herbert Spencer.

"The Anglo-Indians of the last 18th century—'birds of prey and passage,' as they were styled by Burke—showed themselves only a shade less cruel than their prototypes of Peru and Mexico. Imagine how black must have been their deeds, when even the Directors of the Company admitted that 'the vast fortunes acquired in the inland trade have been obtained by a scene of the most

tyrannical and oppressive conduct that was ever known in any age or country.' Conceive the atrocious state of society described by Vansittart, who tells us that the English compelled the natives to buy or sell at just what rates they pleased, on pain of flogging or confinement." (*Social Statics*, 1st. edition, p. 367).

The monopolies of the East India Company proved detrimental to Indian trades and industries. In his work on *considerations of Indian affairs*, William Bolts says that the reason of the East India Company for taking over the Dewany of Bengal, Behar and Orissa was :

"to enable the gentlemen who planned and adopted this mode of government to establish such monopolies of the trade of the country, and even of the common necessities of life, for their own private emolument. and to the subversion of the natural rights of all mankind, as to this day remain unparalleled in the history of any Government."

The Select Committee of the Governor's Council decided on the 10th August, 1765, to establish a monopoly in the trade of salt, betelnut and tobacco. This was made known to the public as follows :—

Advertisement.

"The Honourable the Court of Directors having thought proper to send out particular orders for limiting the inland trade, in the articles of salt, betelnut and tobacco, the same is now to be carried on, in conformity to those orders, by a public society of proprietors, to be formed for that purpose; and an exclusive right to th

trade of those articles will be vested in this society, by an authority derived from the Company and from the Nabob ; all manner of persons dependent upon the Honourable Company's government are hereby strictly prohibited from dealing in any respect, directly or indirectly, in the articles of salt, betelnut and tobacco, from the date hereof ; that is to say, that they shall not enter into any new engagements, unless as contractors, either for the purchase or sale of those articles, with the society of trade."

"The farce of using the Nabob's name," says Bolts, "was thought convenient to be played, as is usual in all dark acts of this double Government. The reader will have perceived, as well in the proceedings of the Company as in the foregoing English advertisement, that this Nabob, if he must be so called, is introduced as joining with the Committee, and consenting to the ruin of his subjects, the poor people of the country, who could not, for that reason, pretend to, or entertain even a hope of redress."

The following is a sample of the Mutchalkas or obligatory bonds taken from the Zemindars to whom perwanahs were issued in the name of the Nabob.

".....I will on no account trade with any other person for the salt to be made in the year 1173 (Bengali style); and without their order I will not otherwise make away with or dispose of a single grain of salt; but whatever salt shall be made within the dependencies of my Zemindari, I will faithfully deliver it all, without delay to the said Society, and I shall receive the money

according to the agreement which I shall make in writing; and I will deliver the whole and entire quantity of the salt produced, and without the leave of the said Company I will not carry to any other place nor sell to any other person a single measure of salt. If such a thing should be proved against me, I will pay to the sircar of the said Society a penalty of five rupees for every maund."

The Committee then started business by appointing European agents throughout the interior at all the important marts and centres of trade.

Bolts made an elaborate estimate of the actual profits of this monopoly, and came to the following conclusion:—

"By this estimate, which we hope will be allowed very just by all persons acquainted with the branch of which we treat, it appears, that upon the trade of two years there has been to the amount of six hundred and seventy-three thousand one hundred and seventeen pounds sterling collected for the benefit of about sixty persons, from the natives in general, upon this single monopoly of what are considered there to be all necessities of life (and the most material one is actually such in all countries) more than they would have paid for the same, had the trade continued open and free to all who paid the established duties."

As might be expected, the monopoly led to the rapid decay of the manufacture of salt in Bengal. The districts which used to produce salt were those which were washed by the influx of the

tide from the sea, for about sixty miles up the rivers from the bottom of the bay.

“Many of those lands produce nothing but salt, from which the whole of their revenue arises; but from the situation of the private trade of the country, as well as, in particular, from the fluctuating tenor of orders issued at Calcutta relative to this trade, none of the natives would at the time, or even since, venture to make salt, unless privately concerned with, or protected by, some gentleman of power and influence in the service of the Company.”

“The salt-makers, called Molunguees, came up to Calcutta in a body to petition for liberty to remove their salt before the swelling of the rivers; and the writer has seen above 200 of them surround the Governor’s palanquin for that purpose, on the high road, and falling prostrate on their faces before him. They were referred to the Dewan*, though the very man against whom they complained; and before they could obtain an order, their salt was washed away.”

The weaving industry was ruined from the

* The Banyan or Dewan was a native officer employed by every European of consequence serving under the East India Company. His functions have been thus summarised by Bolts:—“In short, he possesses singly many more powers over his master, than can be assumed in this country (England) by any young spend-thrift’s steward, money-lender and mistress all put together; and further serves very conveniently sometimes, on a public discussion, to father such acts or proceedings as his master dares not avow.”

Company's desire to keep the entire trade in its own hands, without a rival or competitor.

"Every manœuvre of those who govern the English East India concerns, and particularly in Asia, seems to have been calculated with a view to facilitate the monopolising of the whole interior trade in Bengal. To effect this, inconceivable oppressions and hardships have been practised towards the poor manufacturers and workmen of the country, who are, in fact, monopolised by the Company as so many slaves* Various and innumerable are the methods of oppressing the poor weavers, which are daily practised by the Company's agents and gomastahs in the country; such as by fines, imprisonments, floggings, forcing bonds from them, &c., by which the number of weavers in the country has been greatly decreased. The natural consequences whereof has been, the scarcity, dearness and debasement of the manufactures, as well as a great diminution of the revenues,†..... The severities practised towards these poor people, who are generally both manufacturers and husbandmen, are scarcely to be described; for it frequently happens,.....that while the officers of the collections are destressing them one way for their established rents, the peons from the Company's gomostahs, on the other hand, are pressing them for their goods in such a manner as to put it out of their power to pay their rents.....Such a practice can not otherwise be considered than like the idiot practice of killing the prolific hen to get her golden eggs all a

* Bolts, *Considerations on Indian Affairs*, London 1772, p. 72.

† *Ibid.*, p. 74.

once. * The weaver, therefore, desirous of obtaining the just price of his labour frequently attempts to sell his cloth privately to others, particularly to the Dutch and French gomastahs, who are always ready to receive it. This occasions the English Company's gomastah to set his peons over the weaver to watch him, and not unfrequently to cut the piece out of the loom when nearly finished †.....With every species of monopoly, therefore, every kind of oppression to manufacturers of all denominations throughout the whole country has daily increased ; in so much that weavers, for daring to sell their goods, and Dallals and Pykars for having contributed to and connived at such sales, have, by the company's agents, been frequently seized and imprisoned, confined in irons, fined considerable sums of money, flogged and deprived, in the most ignominious manner of what they esteem most valuable, their castes..... In the time of the Mogul Government, and even in that of the Nabob Aliverdi Khan, the weavers manufactured their goods freely, and without oppression ; and though there is no such thing at present, it was then a common practice for reputable families of the Tanti, or weaver caste, to employ their own capitals in manufacturing goods which they sold freely on their own accounts. There is a gentleman, now in England, who in the time of that Nabob, has purchased in the Dacca province in one morning eight hundred pieces of muslin at his own door, as brought to him by the weavers of their own accord. It was not till the time of Seraj-ud-Dowlah that oppressions of the nature now described, from the employing of

* *Ibid*, p. 192.

† *Ibid*, p. 193.

gomastahs, commenced with the increasing power of the English Company,...and the same gentleman was also in Seraj-ud-Dowlah's time witness to the fact of above seven hundred families of weavers, in the districts round Jungalbarry. at once abandoning their country and their professions on account of oppressions of this nature, which were then only commencing* This last kind of workmen [winders of raw silk] were pursued with such rigour during Lord Clive's late government in Bengal, from a zeal for increasing the Company's investment of raw silk, that the most sacred laws of society were atrociously violated,..."†

The weavers used country cotton, called *kapas* which was produced in Bengal and was also imported in large quantities from the north-west, down the Jamuna and the Ganges. The Company imposed a duty of 30 p. c. upon such cotton, and forced the manufacturers to buy Surat cotton which they imported by sea, and thus accelerated the ruin of the industry.

"The public monopoly next in consequence, as of late practised, has been that of piece-goods for the markets of Bussorah, Jedda, Mocha, Bombay, Surat and Madras. Of those goods there are many sorts which the English Company do not deal in; such as at Dacca, the coarser kinds of Mulmals, called, Anundy, Hyati, Sonargang, and Sherbutty; and at Cossimbazar and Radhanagore, several sorts of Sarries, called Chappa, Muga, Tempy, Tarrehandy, and Mutca; also Soccies

* *Ibid*, p. 194.

† *Ibid*, p. 195.

and Soocy-Saries, Cutanees, and Traffeties, &c., in the provision of which nevertheless, under the same influence, like oppressions are practised as for the Company's investment."

Writes Bolts :—

"We have seen all merchants from the interior parts of Asia effectually prevented from having any mercantile intercourse with Bengal, while at the same time, the natives in general are in fact deprived of all trade within those provinces, it being wholly monopolised by a few Company's servants and their dependants. In such a situation, what commercial country can flourish?.....

"While the Company and their substitutes, by a sub-division of the rights of mankind, in the unrestrained exercise of every species of violence and injustice, are thus suffered to monopolise not only the manufactures but the manufacturers of Bengal, and thereby totally repel that far greater influx of wealth which used to stream in from the commerce of Asia; and likewise, by every method they can falsely practise, obstruct the trade of the other European nations with those provinces which is the only other inlet of wealth they possibly can have, and at the same time, while they are continually draining off from thence immense sums annually for China, Madras, Bombay and other places. the consequence cannot prove other than beggary and ruin to those inestimable territories.

The Government of India never ceased granting special privileges to Britishers. It was brought out in evidence before the Parliamentary Committee of 1858 on the colonisation of India how these privileges were given to them at the expense

of the children of the Indian soil. It is stated in the *Modern Review* for May, 1912, p. 461 :—

Take for instance, the case of tea-plantations. How the tea-planters were assisted in the industry will be evident from the following questions put to, and the answer given to them by Mr. J. Freeman who appeared as a witness before the Select Committee on colonization.

"1922. Are you not aware that both in Assam and Kumaon the Government established tea-plantations for the express purpose of trying experiments, for the sake of the settlers, and with the avowed object of handing over their plantations to the settlers, as soon as the experiment had been shown to be successful, and as soon as settlers could be found willing to take them?—That is what I refer to; that in the first mootings of the cultivation of tea the Government took the initiative and encouraged it, and went to some expense in taking the necessary steps towards it. Then some Europeans took it up on a larger scale, and that attempt was not successful; but somewhere about 14 years ago, in consequence of this new arrangement, where the Government gave them more favourable terms about the land that they were to concede to them, from that arose the present company, *Which has carried it out in a very extensive way, which without the English settlers and their capital I doubt would ever (have) been effected.*

"1923. Did not the Government in fact bear the whole of the expense of the experiment, and hand over, both in Assam and Kumaon, their plantations to the settlers on very liberal terms?—That I am unacquainted with: I will not say that it was so or that it was not so.

"1924. Did not the Government send Mr. Fortune, and others before him into China to get seed, and to get tea—markers, Chinese and otherwise, to inform them as to the Chinese system of culture, for the express purpose and sole object of instructing the settlers in India?—I do not know for certain whether that experiment was made by the Government: I believe it was so: but I know that Chinamen were brought in the first instance. It was hoped through them that the natives in India would get an insight into the cultivation of tea, but it failed, so far."

Thus it will be seen how the European tea-planters, have been benefited at the expense of the natives of India. But the Government have never done anything to encourage any purely Indian concern as they have done the tea industry carried on by Anglo-Indians. The fling at the natives of the country by the witness, which we have italicized in the above extract, is quite senseless, for no native has ever been encouraged in the same manner as the European settlers.

It is for the benefit of the European tea-planter that that act, up to this day, stands on the pages of the Indian Statute Book—an act which the late Hon'ble Rai Bahadur Kristo Das Paul, c.i.e., was compelled to condemn as legalising slavery in India.

The Indian Government very generously offered to assist Iron manufacturers of England if some of

them were to come to settle in India. Thus the same witness was asked:—

“1927. Are you aware that the Government have recently sent out a gentleman conversant with the iron manufacture, and with him several assistants, to the province of Kumaon, to introduce the iron manufacture there?—I have read of it, but we offered to do everything at our own expense.

“1928. And the Government have stated that, as soon as the experiment is shown to be successful, they are willing to hand over the works to any Englishman that will undertake them?—Yes, that may be, ”

Comments on the above are superfluous. Again from time to time Indigo-planters have received pecuniary aids from Government at the expense of the Indian taxpayer.

So late as November 1917, Mr. Karimbhoy Adamjee Peerbhoy in his evidence before the Indian Industrial Commission bitterly complained “of the want of encouragement accorded by Government to purely Indian concerns.” His evidence—both written and oral—covers about ten folio pages of the Minutes of evidence* of the commission and deserves careful perusal by all interested in the subject. The President of the Commission, Sir Thomas Holland, who had to resign, in 1921, the membership of the Executive Council of the Government of India for reasons which remain

* Vol. IV (pp. 510-523).

unintelligible and mysterious to the public, did not like the exposure of the doings of the Government officials by the witness whom he tried to brow-beat and interrupt from speaking the truth. The naked truth was so unpalatable to the gallant knight—the Christian President of the Commission—that turning to the Press reporters, he said that

“The Press will regard that as their responsibility if they publish accusations brought against any individual officer.”

The Muhamadan witness was more than a match for the Christian President when he said

“I wish to be straight and candid to the Commission in saying that whatever my written evidence is in this pamphlet my oral evidence shall appear in the Press.”

Mr. A. R. Rangachari, Honorary Secretary, Madura Dyers' Association, Madura, in his evidence before the same Commission said

“The maintenance of an Excise duty on Indian mill made cotton products and the recent enhancement of the same are directly opposed to the efforts of the Government towards industrial development. Last year, the Indian Government purchased wheat and indigo in India, for the English Government. The same solicitude should have prompted the former to acquire for the India Government some dyes at least for the Indian dyers..... The Government did not sympathise with them. They

still consider that their industry is assailed by the English dyer.”*

Before the same commission, Lala Harkishenlal also exposed the manner in which banks owned and managed by Englishmen treat Indian banks. His oral evidence given on the 11th December, 1917, covering 22 folio pages of the Minutes of evidence, did not make him a *persona grata* with the then British officials serving in the Punjab. This perhaps accounts for the persecution to which he was subjected by them in April, 1919. In his evidence he spoke of

“a conspiracy set up with the determined object of destroying the banking of the Punjab, in which officials and non-officials joined, and made every possible effort, and took every possible measure to destroy banking which would have really done immense good to the province and to outside they did not want Indian banking to flourish, and very likely they thought that left to itself it would prove a formidable opponent or competitor to their business.”

In the course of his evidence he said

“I also know that an application was made by an European to an Anglo-Indian bank for loan and he was first asked to state that this loan would not benefit any Indian in any form or shape or any existing bank in any form or shape; and he was told that if he assured them of that the loan would be negotiated, otherwise not.”

* Indian Industrial Commission, Minutes of Evidence, Vol. III, p. 481.

Is it any wonder that while undue privileges and concessions were given to British traders and merchants, Indian industries should have perished for want of support and encouragement by the State ?

CHAPTER VI.

HOW INDIAN ARTISANS WERE MADE TO BETRAY THEIR TRADE SECRETS.

According to Bolts, whose "Considerations on Indian Affairs" was published within ten years after the battle of Plassey :—

"The oppressions and monopolies in trade which have been introduced of late years but particularly within the last seven have been the principal causes of such a decrease in the real revenues of Bengal, as may shortly be most severely felt by the Company. For the Ryots, who are generally both landholders and manufacturers, by the oppressions of gomastas in harassing them for goods, are frequently rendered incapable of improving their lands and even of paying their rents ; for which on the other hand they are again chastised by the officers of the revenue and not infrequently have by those harpies been necessitated to sell their children in order to pay their rents or otherwise obliged to fly the country."

Again, the same author wrote :

"We come to consider a monopoly the most cruel in its nature and most destructive in its consequences to the Company's affairs in Bengal of all that have of late been established there. Perhaps it stands unparalled in the history of any government that ever existed on earth, considered as a public act, and we shall not be less astonished when we consider the men who promoted

it, and the reasons given by them for the establishment of such exclusive dealings in what may there be considered as necessaries of life."

It is recorded by Bolts that the Indian weavers

"upon their inability to perform such agreements as have been forced upon them by the Company's agents, universally known in Bengal by the name of *Mutchulcahs*, have had their goods seized and sold on the spot to make good the deficiency ; and the winders of raw silk, called Nagoads, have been treated also with such injustice, that instances have been known of their cutting off their thumbs to prevent their being forced to wind silk."

It is not necessary to mention all the measures which in the early days of the East India Company led to the ruin of Indian industries. But all those measures did not bring about the total extinction of Indian manufactures and industries. For after all knowledge is power and the manufacturers of England were ignorant of many of the process employed by Indian artisans in the manufacture of their articles and wares.* The holding of the first International Exhibition in 1851 was not only an incentive to the manufacturers of England to produce articles for the Indian markets, but it indirectly afforded them an

* "We as a manufacturing people are still far behind them (the Indians)."—Sir Thomas Munro. See *The Modern Review*, vol. II. p. 541.

opportunity to learn the trade secrets of Indian craftsmen. The English manufacturers left no stone unturned to wring out of the Indian artists the secret processes by which the latter succeeded in manufacturing their beautiful articles.

A couple of years after the first International Exhibition, took place the renewal of the Charter of the East India Company. Several witnesses who appeared before the Parliamentary Committees appointed to inquire into Indian affairs gave it in their evidence that English manufacturers should be afforded facilities to have an extensive market for their articles in India.

At the same time Dr. John Forbes Royle, who had been in charge of the Indian Department of the first International Exhibition, impressed upon the Court of Directors the importance of forming a Museum in London to permanently exhibit the products and manufactures of India. It is needless to say that the Court most gladly adopted his scheme, because the Museum was to be established at the expense of India and it was to afford bread and butter to a large number of inhabitants of England. But while completing the arrangements of this Museum he died in January, 1858. Dr. Forbes Watson was appointed as his successor. It was during his tenure of office that the last step leading to the destruction of Indian textile manufactures was taken.

What this step was has been very well described by Dr. Watson himself. He wrote :—

“Specimens of all the important Textile Manufactures of India existing in the Stores of the India Museum have been collected in eighteen large volumes, of which twenty sets have been prepared, each set being as nearly as possible, an exact counterpart of the others. The eighteen volumes, forming one set, contain 700 specimens, illustrating in a complete and convenient manner, this branch of Indian Manufactures. *The twenty sets are to be distributed in Great Britain and India—thirteen in the former and seven in the latter*—so that there will be twenty places, each provided with a collection exactly like all the others, and so arranged as to admit of the interchange of references when desired.”

The passage which we have italicised in the above extract shows that the authorities did not possess any sense of proportion when they distributed thirteen sets in Great Britain and seven only in India.

The distribution of the seven sets in India was an afterthought. It was not the original intention of the authorities, as is evident from what Dr. Forbes Watson wrote :—

“The original intention was that the whole of the twenty sets would be distributed in this country (England). Further consideration, however, points to the expediency of placing a certain number of them in India : 1st, because this course will facilitate those trade operations between the two countries which it is the object of work to promote and encourage ; and 2ndly, because it is

possible that the collection may be of direct use to the Indian manufacturer

"It seems to be clearly for the advantage of India that every facility should be given to the introduction from this country, of such manufactures as can be supplied to the people there more cheaply* than by hand labour on the spot. The many will thus be benefited and the hardship which may possibly fall upon the few will not be serious or long felt, since their labour will soon be diverted into new and, in all probability, more profitable channels.

"The chief advantage, however, which is likely to attend the distribution in India of a certain number of the sets of Textile Specimens will, it is believed, arise from the opportunity which will thereby be afforded to the agent in India of directing the attention of his correspondent here (England) to the articles suited to the requirements of his constituents."

We have italicised the last paragraph, as in it the writer unmasks himself.

* As to this cheapness it should be borne in mind that the poorer classes in India for whose benefit cloth was sought to be made cheap have always used the coarser fabrics. These products, of the handlooms, are even now cheaper than Manchester goods considering that the former last much longer. But our fabrics were formerly actually cheaper in price than English textiles as Mr. Robert Brown said before the Lord's Committee which sat before the renewal of the E. I. Company's Charter in 1813. See the January (1908) number of *The Modern Review*, p. 28, and the December (1907) number p. 545.

The places to which the thirteen sets were allotted in Great Britain and Ireland were as follows:—Belfast; Bradford; Dublin; Edinburgh Glasgow; Halifax; Huddersfield; Liverpool; Macclesfield; Manchester; Preston; Salford and the India Museum, London. Dr. John Forbes Watson was sorry that this distribution still left “some important places unsupplied. These are, however, in almost every instance situated near to one or other of the selected localities.”

Regarding the distribution of the seven sets in India, Dr. Watson recommended “that a set be placed in each of the following places, *viz.*: Calcutta, Madras, Bombay, Kurrachee, the North-Western Provinces, the Punjab, and lastly in Berar.

“With respect to the three last-named divisions either Allahabad, Mirzapore, or Agra in the North-Western Provinces, Umritsur or Lahore in the Punjab, and Oomrawattee or Nagpore in Berar, will probably be found the most suitable, but it may be left to the respective Governments of the divisions in question to decide on the exact locality.”

The set for the North-Western (now the United) Provinces is not kept in any one of the cities recommended by Dr. Watson. It is kept in the Provincial Museum, Lucknow, to which place it was transferred from the Allahabad Museum in September, 1878. Lucknow is not a centre of any

textile industry and therefore the set is kept there !

Dr. Watson proceeded—

“ Regarding the conditions on which the gift should be presented,—the first should be that due provision should be made for its permanent protection, and that freedom of access be afforded to all properly recommended and practically interested persons.

“ The sets should be assigned in trust to the chief commercial authorities in the selected places, for the use not only of those connected with the district in which they are deposited, but of non-residents also, who can show a practical interest in Textile manufactures. The proposed plan of sending seven of the sets to India, diminishes the number of commercial centres in this country which will receive a copy, and it therefore becomes more necessary that those which do get one should be required to make it easy of access to agents, merchants, and manufacturers who reside in those which do not.”

It was made a condition that the authorities in the selected districts should undertake :—

“ That access to the work be given to any person bearing an order to that effect signed by the president, Vice-President, or Secretary of the Society of Arts ; the Presidents, Vice-Presidents, or Secretaries of the Chamber of Commerce ; the Chairman or Secretary of the Association of the Chamber of Commerce, the President, Vice-President or Secretary of the Cotton Supply Association, the Chairman, Vice-Chairman or Secretary of the Cotton-Brokers' Association ; the Chairman, Vice-Chairman or Secretary of the

Liverpool East India and China Association; by the Presidents, Vice-Presidents, Chairmen, Vice-Chairmen, or Secretaries of such other Associations for the promotion of Commerce as now exist or may hereafter be formed; and by the Reporter on the products of India.”

So it was not difficult for any one to consult the work in Great Britain. But in India the existence of this work is hardly known to 999 out of 1000 educated persons—much less to the weavers and other uneducated artisans. It would be interesting to know if the sets deposited in India have ever been consulted by even any educated Indian. These might have been consulted by some interested Anglo-Indians but not, we think, by any educated native of this country.

Since these sets were prepared at the cost of India and now, thanks to the Swadeshi movement an impetus has been given to the textile industry in this country, is it not time and is it not fair and just that all the thirteen sets which are in Great Britain should be brought to India and kept in important centres of commerce and industry in this country? As a first step, may we not demand that the existence of the seven sets in India should be made widely known? They should be made easily accessible to all Indians actually engaged in manufacturing textile fabrics.

These twenty sets of 18 volumes each were

to be "regarded as *Twenty Industrial Museums*, illustrating the Textile Manufactures of India, and promoting trade operations between the East and West, in so far as these are concerned."

Of Course, it was meant more to benefit the West than the East and this Dr. Watson himself admitted, for he wrote :—

"The interests of the people in India, as well as those of the people at home, are concerned in this matter, and *both interests must be considered*. Our remarks in the first instance, however, will apply more particularly to the latter.

"About two hundred millions of souls from the population of what we commonly speak of as India ; and, scant though the garments of the vast majority may be, an order to clothe them all would try the resources of the greatest manufacturing nation on Earth. It is clear, therefore, that India is in a position to become a magnificent customer.

... ..

If we attempt to induce an individual or a nation to become a customer, we endeavour to make the articles which we know to be liked and indeed, and these we offer for sale. We do not make an effort to impose on others *our own tastes and needs*, but we produce what will please the customer and what he wants. The British manufacturer follows this rule generally ; but he seems to have failed to do so in the case of India, or to have done it with so little success, that it would almost appear as if he were incapable of *appreciating* Oriental tastes and habits.

"There are probably few things beyond the

understanding of our manufacturers, but it will be admitted that some education in the matter is necessary, and that without it the value of certain characteristics of Indian ornament and form will not be properly realized. This supposes the means of such education to be readily accessible, which hitherto has not been the case, simply because manufacturers have not known with any certainty what goods were suitable. To attain to skill in meeting Eastern tastes and Eastern wants will require study and much consideration even when the means of study are supplied ; but up to the present time the manufacturer has had no *ready opportunity* of acquiring a full and correct knowledge of what was wanted.

The deficiency here alluded to, will, we believe, be supplied by these local Museums,

...

...

...

"The 700 specimens (and we again point out that they are all what is called working *samples*) show what the people of India affect and deem suitable in the way of textile fabrics, and if the supply of these is to come from Britain, they must be *imitated there*. *What is wanted, and what is to be copied to meet that want*, is thus accessible for study in these museums."

Thus it was all from motives of philanthropy that specimens of Indian textile fabrics were made accessible to the manufacturers of England.

But even up to the year 1866, the Indian

weaving Industry had not totally ceased to exist. for Dr. Forbes Watson wrote :—

“.....The British manufacturer must not look for his customers to the upper ten millions of India, but to the hundreds of millions in the lower grades. The plainer and cheaper stuffs of cotton, or of cotton and wool together, are those which he had the best chance of selling, and those which he would be able to sell largely, if in their manufacture he would keep well in view the requirements and tastes of the people to whom he offers them.

“We know India now-a-days as a country whose Raw Products we largely receive. We pay for these partly in *kind* and partly in *money*; but India never buys from us what will repay our purchases from her, and the consequence is that we have always to send out large difference in bullion, which never comes back to us, disappearing there as if it had been dropped into the ocean. We buy her Cotton Indigo, Coffee, and Spices; and we sell her what we can in the shape of Textile and other manufactures. It must not be forgotten, however, that there was a time when India supplied us largely with Textiles. It was she who sent us the famous Longcloths, and the very term *Calico* is derived from *Calicut* where they were made. She may never resume her position as an exporting manufacturer of goods of this sort,.....This is clear, however, that it will be a benefit to the masses of the people of India to be supplied with their clothing at the cheapest possible rate—let this be done by whom it may. If Great Britain can give Loongees, Dhotees, Sarees, and Calicoes to India which cost less than those made by her own weavers, *both* countries will be benefited.....

"The machinery and skill of Britain may thus do a present service to India, by supplying her with material for clothing her people at a cheap rate, an end to which these *collections* must certainly lead by showing the home manufacturer what it is that the natives require."*

Regarding this act of philanthropy one Christian officer wrote :—

"Everyone knows how jealously trade secrets are guarded. If you went over Messrs. Doulton's pottery works, you would be politely overlooked. Yet under the force of compulsion the Indian workman had to divulge the manner of his bleaching and other trade secrets to Manchester. A costly work was prepared by the India

* In this connection it is necessary to remind our readers what Mr. Tierney, a member of the House of Commons, said in a speech delivered in that House as far back as 1813 :—

"The general principle was to be that England was to force all her manufactures upon India, and not to take a single manufacture of India in return. It was true they would allow cotton to be brought; but then, having found out that they could weave, by means of machinery, cheaper than the people of India, they would say. 'Leave off weaving; supply us with the raw material, and we will weave for you.' This might be a very natural principle for merchants and manufacturers to go upon, but it was rather too much to talk of the philosophy of it, or to rank the supporters of it as in a peculiar degree the friends of India. If, instead of calling themselves the friends of India, they had professed themselves its enemies, what more could they do than advise the destruction of all Indian manufactures?"

House Department to enable Manchester to take 20 millions a year from the poor of India; copies were gratuitously presented to Chambers of Commerce, and the Indian ryo had to pay for them. This may be political economy but it is marvellously like something else."

(Major J. B. Keith in the Pioneer, September 7, 1898.)

It is much to be regretted that no writer on Indian economics has so far referred to the part which the holding of Exhibitions and the distribution of specimens of the textile manufactures of India have played in ruining the weaving industry of India. Perhaps the imposition of the tariff and the transit duties would not and could not have so effectually destroyed Indian industries had not the authorities made the Indian artisans betray under compulsion their secrets to the manufacturers of England.

Owners of cotton mills and hand-loom factories all over India would move in the matter in order that (1) the seven sets of Indian textile manufactures already in India may be made easily accessible to Indian manufacturers and (2) the thirteen sets in Great Britain may be restored to India and placed in suitable centres here. This will help greatly in the revival of genuine Indian patterns and colours.



CHAPTER VII.

BRITISH CAPITAL IN INDIA.

The fiat has recently gone forth from the non-official European community in India that nothing approaching the right of self-government should be granted to Indians, unless it can be proved to demonstration that the interests of British capital will not in the least suffer in a home-ruled India ; which practically means that European traders, planters and manufacturers in India must continue to enjoy all the fair and unfair opportunities and means of exploiting the resources of this country which they have hitherto enjoyed, whatever constitutional changes may be proposed to be introduced. It seems necessary, therefore, to examine to what extent and in what sense the capital invested by Europeans in India is British, and also whether such investment has been entirely or mainly advantageous to Indians. Another line of investigation which ought to be taken up is whether the investment of British capital was necessary in the interests of India. In this chapter we propose to confine ourselves mainly to some observations on the first aspect of the question.

When the East India Company gradually

became masters of Bengal and other parts of the country, it was not a land of paupers. There was plenty of capital in the country. We shall prove this fact from the writings of English authors. Walter Hamilton, a "semi-official" writer, says in his *East India Gazettier* (Second Edition, London, 1828, vol. 1, p. 214):—

"Under the Government of the two last legitimate viceroys (of Bengal) Jaffer Khan (*alias* Murshid Kuli Khan) and Sujah Khan, who ruled in succession nearly forty years, the state of the country was eminently flourishing, and the taxes little felt, although the annual tribute remitted to Delhi was usually a crore of rupees : Even after the usurpation of Ali Verdi Khan, the Zamindars were so opulent as at one time to make him a donation of a crore of rupees and another of fifty lakhs, towards defraying the extra expenses incurred in repelling the incursions of the Marhattas."

The prosperity of India was due to the perennial influx of the gold and silver of all the world for the purchase of her rich natural and artificial products. Says the historian Dr. Robertson :—

"In all ages, gold and silver, particularly the latter, have been the commodities exported with the greatest profit to India. In no part of the earth do the natives depend so little upon foreign countries, either for the necessities or luxuries of life. The blessings of a favourable climate and a fertile soil, augmented by their own ingenuity, afford them whatever they desire. In consequence of this, trade with them has always been carried on in one uniform manner, and the precious

metals have been given in exchange for their peculiar productions, whether of nature or art"—*A Historical Disquisition Concerning India*, New Edition (London, 1817), p. 180.

Again :

"In all ages, the trade with India has been the same ; gold and silver have uniformly been carried thither in order to purchase the same commodities with which it now supplies all nations : and from the age of Pliny to the present times, it has been always considered and execrated as a gulf which swallows up the wealth of every other country, that flows incessantly towards it, and from which it never returns." *Ibid* p. 203.

The following extract from another English writer will show that Bengal enjoyed the greatest share of this general prosperity :—

".....In Bengal, however, from being in every part intersected by navigable rivers inland trade was transported by water carriage with much more expedition, and at a much less expense than by the caravans ; and this great advantage, together with the extraordinary fecundity of the soil, produced by those rivers, and the superior industry of the inhabitants, rendered this province in all ages by far the most prosperous and wealthy in the whole country."—*Asiatic Annual Register*, 1801, p. 16.

When Clive entered Murshidabad in 1857, he wrote of it :—

"This city is as extensive, populous and rich as the city of London, with this difference, that there are individuals in the first possessing infinitely greater property than in the last city."

The extracts given above prove that the English came into possession of a wealthy country. Much of this wealth flowed to England in various ways, and not only made that country wealthy but added immensely to its wealth-producing capacity. The vast hoards of Bengal and the Karnatic being conveyed to England, enabled her to become industrially supreme, In his work entitled "The Law of Civilisation and Decay" (Sonnenschein, London) Brooks Adams writes :—

.....The influx of the Indian treasure, by adding considerably to the nation's cash capital, not only increased its stock of energy but added much to its flexibility and the rapidity of its movement. Very soon after Plassey, the Bengal plunder began to arrive in London, and the effect appears to have been instantaneous, for all the authorities agree that the 'industrial revolution,' the event which has divided the nineteenth century from all antecedent time, began with the year 1760. Prior to 1760, according to Baines, the machinery used for spinning cotton in Lancashire was almost as simple as in India ; while about 1750 the English iron industry was in full decline, because of the destruction of the forests for fuel. At that time four-fifths of the iron used in the kingdom came from Sweden.

"Plassey was fought in 1757 and probably nothing has ever equalled the repidity of the change which followed. In 1760 the flying shuttle appeared, and coal began ~~the~~ to replace wood in smelting. In 1764 Hargreaves invented the spinning-jenny, in 1776 Crompton contrived the mule, in 1785 Cartwright patented

the power-loom. and, chief of all, in 1768 Watt matured the steam engine, the most perfect of all Vents of centralising energy. But, though these machines served as outlets for the accelerating movement of the time, they did not cause that acceleration. In themselves inventions are passive, many of the most important having lain dormant for centuries, waiting for a sufficient store of force to have accumulated to set them working. That store must always take the shape of money, and money, not hoarded but in motion.....Before the influx of the Indian treasure, and the expansion of credit which followed, no force sufficient for this purpose existed; and had Watt lived fifty years earlier, he and his invention must have perished together...Possibly since the world began, no investment has ever yielded the profit reaped from the Indian plunder, because for nearly fifty years Great Britain stood without a competitor...From 1694 to Plasssy (1757) the growth has been relatively slow. Between 1760 and 1815 the growth was very rapid and prodigious. Credit is the chosen vehicle of energy in centralised societies, and no sooner had treasure enough accumulated in London to offer a foundation, than it shot up with marvellous rapidity. The arrival of the Bengal silver and gold enabled the Bank of England which had been unable to issue a smaller note than for £20 to easily issue £10 and £15 notes and private firms to pour forth a flood of paper."—*The Law of Civilisation and Decay*, pp. 263-264, quoted in Digby's *Prosperous British India*, pp. 31-33.

The Material origin, then, of Great Britain's industrial prosperity. and, therefore, in great part of her capital, must be sought in her connection with India. It has been estimated that between

Plassey and Waterloo some £1,000 millions flowed from India to England.

We are hence driven to conclude that Sir George Birdwood used merely the language of sober truth when he wrote :—

“India has done everything for us, everything that has made these islands, as insignificant on the face of the globe as the islands that made up Japan, the greatest empire the world has ever known, and for this we owe undying gratitude to India.”

Let us now turn to some facts relating to the days of the East India Company to ascertain the nature of the “British” capital then invested in India. In the course of his examination before the Parliamentary Committee on the 30th March, 1832, Mr. David Hill was asked,

“377. Where does the capital employed by the indigo planters come from ?”

and he replied :—

“It is accumulated in India exclusively.”

Besides Mr. David Hill, several other witnesses also stated that little or no capital had been or would be brought out from England to India. Thus Mr. W. B. Bayley, in his examination before the Parliamentary Committee on the 16th April, 1832, in answer to question No. 919, said :—

“My opinion that no capital will be brought from England into India arises from little or none having been brought hitherto, even at periods when interest has been at a much higher rate than it now is.”

Then he was asked :—

“920. Do you think more capital would not go to India if the restriction on Europeans resorting to India was altogether taken away?—I do not think that capital would be sent from England but I think that capital which would be otherwise remitted to England would probably remain in India.”

Captain T. Macan also in his examination on the 22nd March, 1832, was asked :

“1435. Would Europeans be likely to invest their capital in works of that sort?—I think there is much error upon the subject of European capital in India.

1436. Under the existing law that restricts intercourse with India,, is it probable in your opinion, that any companies would be found to undertake such works?—I think Europeans who have *acquired capital in India*, might undertake such public works, with proper encouragement; but I scarcely can anticipate so much enterprise and risk as to take capital from England to invest in such speculations; *in truth, capital is, I believe, never taken from England to India; it is made there and remitted home.*”

It was then at that time somewhat of a myth that European sojourners brought any capital from England to India. Things may or may not have changed since then; but we require a Parliamentary Committee of enquiry to bring the true facts to light.

As regards the necessity, and the advantages to the people of India, of the investment of British capital in India, Mr. Rickards truly said in his

evidence before the Commons' Committee on East India Affairs, in 1830, that—

“India requires capital to bring forth her resources, but the fittest capital for this purpose would be one of native growth, and such a capital would be created if our institutions did not obstruct it.”

We may now reasonably ask if there has been an influx of British capital into India since the replies given by the witnesses before Parliamentary Committees, quoted above, and if so, by what process that capital has been brought into existence it should be remembered that a century ago India was rich in industries ; and her trade, both internal and external, was also very great. But how “the enlightened selfishness” of the people of England of those days effected the ruin of Indian trade and industries has been told in the pages of this book. The people of this country had no outlet for their capital to invest in any industry and so were obliged to deposit it in banks which were at first Government concerns. The Hon'ble Mr. Frederick Shore wrote in one of his “Note on Indian Affairs” :—

“We have for years been vaunting the splendid triumph of English skill and capital in carrying cotton from India to England, and after manufacturing it there, bringing the cloth to India and underselling the natives. Is this anyway surprising, under such an intolerable system (of transit duties and search houses) as is above described : and while the staples of India are almost

proscribed at home? In fact, if this be continued much longer, India will, ere long, produce nothing but food just sufficient for the population, a few coarse earthen-ware pots to cook it in, and a few coarse cloths. Only remove this incubus, and the tables will very soon be turned, The other is the great self-complacence with which we talk of the confidence reposed by the people in our Government, judging from the large sums which they invest in the Government funds. What are they to do with their money?..... Government, in their ignorance, have done all they can to annihilate trade and manufactures, which they will, unless they change their measures, accomplish in a few years more (the number of boats laden with goods which used to leave Furrukhabad twelve years ago, was at least *treble* what it is at present.) Five or even four per cent, is better than nothing; but it needs not the gift of prophecy to foresee, that.....if the landed tenures in the North-Western provinces were placed on a footing of security and if trade and manufacture were tolerated,—they do not require *encouragement*, but only to be exonerated from the present customs and duties,—not only would Government be unable to borrow at such low interest, but the price of the existing funds would speedily fall.”

Things are not very much better even now. The Indian people mostly invest their money in Government Promisory Notes at $3\frac{1}{2}$ per cent. interest. No one ever seems to take the trouble to inquire what becomes of the money which is invested in government papers and deposited in banks managed by government, such as the Postal Savings Banks, and the Presidency Banks with

their branches in some of the important towns of this country. These banks advance money to European firms who make enormous profits in their business and this propagates stories of importing British capital into India.

One of the opinions and recommendations of the Royal Commission on Indian Currency and Finance was that "the proper place for the location of the whole of the Gold Standard Reserve is London." Why ? Is there any other country on the face of the globe of which crores of rupees are kept in a distant foreign country ? Do the British colonies keep any of their reserves in London ? Why is the Indian Reserve kept in London but for the advantage of the British people, including the British exploiters called British capitalists ?

The Currency Commission have also said :—

"We recommend that the Government of India should make a regular practice of granting loans to the Presidency Banks from their surplus balances in India against security on terms to be negotiated with the Presidency Banks."

Why are these banks favoured in this way, and not others ? It is well-known that British exploiters in India can and do obtain loans from the Presidency Banks on easy terms ; Indian merchants are not accommodated in this way. Thus the Indian people's money masquerades as British capital,

The Commission while saying that "The Secretary of State sells Council Drafts, not for the convenience of trade, but to provide the funds needed in London to meet the requirements of the Secretary of State on India's behalf," admit in the very next paragraph that "The India Office perhaps sold Council Drafts unnecessarily at very low rates on occasions when the London balance was in no need of replenishment." Did not these unnecessary sales at very low rates result in the convenience of British trade ? Verily, as Lord Curzon said, administration and exploitation are only different aspects of the work of the British people in India.

It should not be also forgotten that some of the industries mostly owned by Britishers in India have received and are receiving substantial subsidies from the Indian Government out of the revenues paid by the natives of this country. Take, for instance, the case of tea plantations. How the tea planters were assisted in this industry will be evident from the following questions put to, and the answers given to them by Mr. J. Freeman who appeared as a witness before the Select Committee on Colonization.

"1922. Are you not aware that both in Assam and Jumaon the Government established tea-plantations for the express purpose of trying experiments, for the sake of the settlers, and with the avowed object of handing

over their plantations to the settlers, as soon as the experiment had been shown to be successful, and as soon as settlers could be found willing to take them?—That is what I refer to; that in the first mootings of the cultivation of tea the Government took the initiative and encouraged it, and went to some expense in taking, the necessary steps towards it.”

Government also very generously offered to assist the iron manufactures of England if some of them were to come to settle in India. Thus the same witness was asked:

“1927. Are you aware that the Government have recently sent out a gentleman conversant with the iron manufacture, and with him several assistants, to the province of Kumaon, to introduce the iron manufacture there?—I have read of it, but we offered to do everything at our own expense.

“1928. And the Government have stated that, as soon as the experiment is shown to be successful, they are willing to hand over the works to any Englishman that will undertake them?—Yes, that may be

Even at present Government are doing much in the way of experimenting to help the European indigo-planters and sugar-planters; and the experiments are carried on with Indian money. Other instances may be given, but we refrain.

It will be worthwhile for some Hon'ble member of the Imperial Legislative Council to ask a question about the amount of subsidy which the Indian Government pays directly or indirectly to

the different industries which are owned and managed by the Britishers in this country.

India did not require any capital from England to construct in this country. If Britishers have invested any capital in India, it was not because India wanted their capital, but because they wanted to enrich themselves at the expense of the Indian people and to take advantage of the helpless position in which they are placed.

In our opinion, British capital in India is largely a myth and even the existence of it (if true) does not entitle the Britishers to enjoy any undue political privilege.

CHAPTER VIII.

INDIAN FACTORY LEGISLATION.

The English manufactures having set their hearts on the destruction of Indian industries are trying to do this under the guise of philanthropy. The factory laws which are enacted from time to time are an instance in point. The manufacturers compel the Indian authorities to make laws which are certainly not called for in India and which do not benefit those in whose interests they are ostentatiously undertaken. The repeal of a low duty on the manufactured cotton goods of Manchester, the coercion of the Indian Government to impose an import duty on the American long-stapled cotton which was necessary for the Indian spinners to mix with their short-fibred one, the forcing of the Hindus and Mussalmans to observe the Christian Sabbath for the laborers in their factories, although the number of their own festivals on which they stop work is more than that of the Sundays observed in Christian countries, are a few of the long list of measures inflicted on India. The cry is, more factory acts are still to come.

Have those philanthropists of England whose hearts bleed for the so-called hard lot of the Indian

factory hands and who are, therefore, leaving no stone unturned to make them happy, ever turned their attention to the lot of the clerks and those servants who are on the ministerial and menial establishments of the British Indian Government and done anything to remove their grievances and better their condition of existence? Why, the subordinate judicial service—composed of Graduates who understand and administer law and justice better than the members of the Indian Civil—the Heaven-born—service as it is called, is very badly paid and is overworked, with the result that many fall victims to various ailments—most notoriously diabetes. and yet nothing has been attempted so far to inquire into their state of affairs or ameliorate their condition. The employees of the subordinate medical, postal' and telegraph departments are not treated so well as their comrades are in other civilised countries—it would not be a strong expression to say that they are regularly sweated—and yet the hearts of the philanthopists are bleeding for the Indian factory hands and not for others.

The laws in operation in the tea gardens of Assam are such that even the late Babu Kristo Das Paul, C. I. E., was obliged to refer to them as legalising slavery. The coolies work under conditions which are hardly better than those of slaves. Yet because these gardens are mostly

owned by Englishmen, therefore the philanthropists of England will not raise their little finger to have those laws repealed or altered or make the lot of the coolies happy. It is an open secret that Sir Henry Cotton did not get the office of Lieutenant Governor that was his due because he tried to ameliorate the condition of these coolies.

In a country where millions have to thank their stars if they can get even one scanty meal a day, regulating the hours of labour in the case of the mill-hands, whose long hours are voluntary, is entirely uncalled for and can by no stretch of language be called philanthropic.

England became a great manufacturing country. Lancashire contributed to the national wealth of England by becoming the seat of cotton industries. Spinning jennies and power looms were employed in those industries, and with these it was impossible for even the cheap labour of India to successfully compete. But then could not India have built factories like those of Manchester? No, because the "enlightened selfishness" of the philanthropists of England did not permit the importation of cotton spinning and weaving machinery into India until 1850. Between the renewal of the Charter of the East India Company in 1813 and 1850, laws were enacted which had the effect of completely destroying Indian cotton industries, and hundreds of thousands—if not millions—of

weavers were thrown on the over-assessed land to eke out a miserable existence.

Mr. Tierney in the course of his speech in the House of Commons observed, the natives of England spoke to those of India,

“Leave off weaving ; supply us with the raw material, and we will weave for you.”

It was understood that India was to monopolize the supply of cotton to England. But it was soon found out that the Southern States of America where slave labour greatly flourished could supply England cotton on better terms than India. The English cotton spinners demanded the free import of the long-stapled American cotton, which was secured to them. So the market for cotton in England was closed against India and this meant ruin for the Indian cultivator.

It was at this time the orator, Mr. George Thompson, commenced delivering lectures to large audiences in the industrial towns of England on various topics connected with the history and the existing state of the British dominions in India. To these audiences he appealed that England should give up its connection with America which employed slave labour for the growth of cotton, and patronize India for raw materials. But the merchants of England only sought profit and were not to be moved by sentiment.

It was after the outbreak of the Civil War in

America in 1863, that England had to turn her attention to India for cotton. But after the termination of the war, England again began to import that commodity from America.

It is the crushing of India's cotton industries and the dependence of the millions of her population for their subsistence on the soil which should be looked upon as one of the chief factors in the causation of the recurrent famines desolcating numberless households and spreading ruin and disaster throughout the length and breadth of this country.

CHAPTER IX.

WHY IS SELF-GOVERNMENT DENIED TO INDIA?

India is England's milch cow. Whether India obtains perfect independence or the Colonial System of Government the result will be the same to England. It will mean India to a large extent for Indians. What will become then of the "boys" of England. We ask all Indians to ponder over the following, which is quoted from an article in the now defunct London *Statesman* from the pen of the late Robert Knight:—

"But the benefits arising from our empire are far from being confined to the mercantile classes. They are shared by all classes in England, from the peer to the peasant. The Viceroyalty and the subordinate Governorships of the Presidencies are the ambition of the peers of the realm, the chief prizes the Crown has to bestow in the whole breadth of its dominions. Then there are Lieutenant Governorships of territories equal in population and extent to all France; half a dozen Commissionerships of provinces hardly less important; a host of Councillorships, Embassies, Collectorships, Magistracies, and Judgeships, with incomes of almost princely amount, and a thousand civil appointments subordinate to them.

"If we turn to the field which India offers to the professions, we find English lawyers fillings the highest judg-

ment-seats of the country with jurisdiction over territories the half of Europe in extent; English lawyers filling the positions of Administrators-General, Advocates-General, Masters in-Equity, Legal Remembrancers, Judges of the Small Cause Courts, and crowding the bar of each Presidency for the administration of English law.

"So again with the medical profession. Of the 1000 to 1200 physicians and surgeons in India labouring with a prospect more or less of a competency. Nor may we avoid mention of the Church, the Missionary body, and the colleges which absorb between them a large body of educated gentlemen, and provide for the education of their families.

"Again, all we have asserted of the above classes may be affirmed of the body of gentlemen who constitute the officers of the united Indian Army...The same may be said of the Education Department of the country...How vast a field is the Indian empire opening to our engineering and railway enterprise, from the humblest skilled workman it is necessary to employ, to the scientific head that organises it."

Any measure of Self-government for India seems to be incompatible with the pecuniary interests of England. The author of the pamphlet "India for Sale: Kashmir Sold," wrote:—

"We do not appear to realise the fact that the loss of India will assuredly deprive us of all our Eastern trade, and yet it is easy to see that it will be so; for not only will the marts of India be closed against us if we lose it,—as firmly closed against us as are those of Central Asia now,—but besides this, *India, with its raw produce and its people skilled in manufactures from of old, will soon, under a system of protection, become a great manu-*

facturing nation,---will soon with its cheap labour and abundant supply of raw material supplant us throughout the East." (Page 4 of "India for Sale: Kashmir Sold," by W. Sedgwick, Major, R. E. Calcutta, W. Newman & Co., Ltd., 1886. Price 12 annas).

Said the Marquis of Dufferin in one of his speeches in England:—

"Indeed, it would not be too much to say that if any serious disaster ever overtook our Indian Empire, or if our political relations with the peninsula of Hindostan were to be even partially disturbed, there is not a cottage in Great Britain--at all events in the manufacturing districts--which would not be made to feel the disastrous consequences of such an intolerable calamity:---(Cheers)." (Lord Dufferin's Speeches in India." John Murray, p. 284).

If India were granted any form of Self-government, will not England's political relations with her be greatly disturbed? Since the inauguration of the Swadeshi *cum* boycott movement, the manufacturing districts of Great Britain have been made to feel the disastrous consequences of the intolerable calamity. Was it not hinted very broadly in the questions which were put by a certain honourable member of Parliament to the Under Secretary of State for India that the deportations of some of the Bengalee gentlemen were due to their taking an active part in the Swadeshi propaganda? The Under Secretary of State could not deny this.

Any form of Self-government in India will encourage home industries either by preferential

tariff or boycott. And this will not do for the prosperity of the "nation of shopkeepers." Wrote an English author :—

"The military aggrandisement of the (Chinese) Empire, which would provoke general resistance, is in fact, less to be dreaded than its industrial growth, which other nations will be, to some extent, interested in maintaining." (Pearson's *National Life and Character*, p : 141).

Under such circumstances what wonder that every sort of real Self-government has been denied to the people of India?

CHAPTER X.

HOW ENGLAND LOOKS AT INDIA.

Due to the Imperial Preference lately accepted by Great Britain, the outlook of Indian Industry is gloomier than before. Mr. Iqbal Bahadur Sak-sena writing in *the Wealth of India* in December 1918, says:—

England has accepted the principle underlying Imperial Preference in commercial and industrial matters. It means that England has realised that it can no longer remain wedded to Cobdenism, that free trade stands to undermine the industrial supremacy of England, that some sort of protection is absolutely necessary so that British industries be prevented from falling into the hands of enemies after the war, and that it is also necessary that supplies from within the British Empire should be used in the countries forming the British Empire. It means further that the cry of India that protection is necessary for the progress of Indian industries,—no, no, even for the upkeep and expansion of struggling industries,—was reasonable; that if India is to make industrial progress some sort of protection will be found to be absolutely necessary for its industries, present and yet to be born; and that when England, with so much capital, so thoroughly trained and organised labour and so efficient in organisation and direction of industry, finds it necessary to adopt some policy of protecting its industries from trade harpies, it stands much more to reason that protection and complete protection be afforded to Indian industries in India.

To safeguard the vital interests of this Indian Industrialism, therefore, discriminate State aid to Industries such as that granted to Tata Iron Works, and protection from unequal, unfair and destructive foreign competition must be allowed.

The Home Government has adopted the policy of preference to modified protection and the principle underlying this adoption is the supply of raw materials. It is to ensure the supply of raw materials at a cheap price and to prevent them from falling into the hands of competitors that preference has been adopted. India is the greatest producer of all sorts of raw materials. Since trade between India and England will be free to the extent desired by England which is the centre of the Empire, therefore it is reasonable to assume that raw materials going from India to England will be free of duty, and similarly manufactured goods coming from England to India will be also free of duty. Thus the Industrial position and supremacy of England will be assured, for her raw materials will be had at the cheapest price and consequently her manufactured goods will also be sold at the cheapest price in the best market of the world, while her competitors whether Western or Eastern will have to pay double duty on their goods, once when they import their raw materials and next when they export goods to India. This double duty will have the influence of first increasing the cost of raw materials exported from India to foreign countries, that is, countries outside the British Empire and then of increasing the price of manufactured goods imported from those countries by the amount of the duty which will be imposed if they compete with indigenous goods. Thus India will be protected against those countries which are not included in the British Empire and which will compete with her. But the much-desired pro-

tection against England is not likely to be afforded. Roughly before the war 40 per cent. of the export trade and 60 per cent. of the import trade of India was with England. India exported 60 per cent. of her raw materials to countries outside the British Empire and imported 40 per cent. of manufactured goods from the same. The change in trade policy under consideration will have the effect of diverting the greater portion of the export trade of India and still greater portion of her import trade into the hands of those within the Empire able to take advantage of the changed circumstances, and apparently no other than England is at present capable of doing so. India for the present and for some time more to come cannot be said to be in a position to change her industrial aspect herself.

We see, then, there remains a very meagre chance for the industrial improvement of India. India will have to make certain sacrifices in order that the Industrial supremacy of England may be maintained. England is the heart of the Empire. To keep the Empire stable it is necessary that the heart be kept sound and in a flourishing condition. We might say to this that if England stands to the Empire as the heart does to the body, then surely England ought to perform the same functions to India and other parts of the Empire as the heart does to the body. The manifest conclusion from this is that since India stands in urgent need of industrial progress it is necessary that the supplies of pure heart-blood should be made to flow to this neglected part more and more so that it may be able to perform its local functions satisfactorily and then be ready to render as much assistance to the heart as will lie in its power, when the need or occasion for such assistance arises. In plain terms this means that money-capital, more

machinery, more efficient labour should come from England to India, work together for the good of India, with no end in view but the Industrial regeneration of India.

In his well-known work on *Social Reconstruction* (p. 120), Bertrand Russell writes :—

“Central African natives accustomed to living on the raw fruits of the earth and defeating Manchester by dispensing with clothes, are compelled to work by a hut tax which they can only pay by taking employment under European capitalists.”

The above should be read along with what the *Morning Post* of London wrote in a recent issue of that paper.

“We have a direct concern in India, because it is one of the chief markets of the world. We went there as traders and, despite all the fine talk of our modern highbrows, there is still the material basis of our rule which might be put in the sentence; We give you protection and you buy our goods. If we abandon India it will not be only the Indians who suffer, but the twelve million people of Lancashire, and indeed our whole industrial system which will be affected. After all, when all is said, this nation must live. That is the first consideration, and we see no other way in which this nation can live upon these little islands save by industry and trade.”

This will explain why picketing of shops trading in foreign cloths is considered a great crime by Britishers in India and for which heavy sentences have been passed on men like Pandit Jawahirlal

and others. While the most important "concessions" under the "Reforms" are latent, repression is patent to all. We should be prepared for more and more of it, if the cult of the *Charka* and spinning and weaving spread more and more and reduction in the import of Manchester manufactures takes place in this country.

India is looked upon as the happy hunting ground for the Britishers, a market for British goods, and "the brightest jewel in the British crown." In "*Our Social Heritage*" first published in 1921, Mr. Graham Wallas writes :

"A Middlesbrough iron-moulder will be more likely to vote for a kind and wise policy in British India if he thinks of India, not as the brightest jewel in the British Crown but as three hundred million human beings for whose fate he has his share of personal responsibility, who are troubled each week more keenly than he is troubled about food and clothing and housing, and some times feel, though less often than he feels, the vague stirrings of political and social hope."

But will or can those voters of England to whom India exists merely or chiefly for the exploitation of her resources by their kith and kin easily change their mentality regarding the welfare of the people of this country ?

CHAPTER XI.

WHAT IS TO BE DONE ?

To encourage Indian industries we have to practise Swadeshi and boycott.

Swadeshi and boycott are the two necessary aspects of one and the same thing. One cannot flourish and strive without the help of the other. History does not furnish a single instance of one existing without the other. Whenever any independent nation has tried to foster and develop its home industries---that is "Swadeshi"---it has not been able successfully to do it without practising at the same time the "boycott" of foreign goods. The word "boycott" may not be even 30 years old, but the spirit which it expresses is as old as when man appeared on the face of this planet. When England, now the foremost free trade country in the world, was struggling to build up her industries, she did it by means of the economic "boycott", which means the displacement of foreign goods. Writes the Irish historian Lecky:—

"It was only when England had taken her gigantic strides in the direction of manufacturing ascendancy, that the pressure of population on subsistence became seriously felt, and the manufacturers gradually assumed the attitude of free trade. No transformation could have

been more astonishing or more complete. *Scarcely a form of manufacturing industry had ever been practised in England that had not been fortified by restrictions or subsidised by bounties. The extreme narrowness and selfishness of that manufacturing influence which became dominant at the Revolution had alienated America, had ruined the rising industries of Ireland, had crushed the Calico manufactures of India, had imposed on the consumer at home monopoly prices for almost every article he required.* As Adam Smith conclusively shows, the merchants and manufacturers of England had for generations steadily and successfully aimed at two great objects---to secure for themselves by restrictive laws an absolute monopoly of the home market, and to stimulate their foreign trade by bounties paid by the whole community. The language of the great founder of English political economy illustrates with curious vividness how entirely modern is the notion that the manufacturing interest has a natural bias towards free trade. 'Country gentlemen and farmers,' he wrote 'are, to their honor, of all people the least subject to the wretched spirit of monopoly. The undertaker of a great manufactory is sometimes alarmed if another work of the same kind is established within twenty miles of him. * * Farmers and country gentlemen, on the contrary, are generally disposed rather to promote than to obstruct, the cultivation and improvement of their neighbours' farms and estates. * * * Merchants and manufacturers being collected into towns, and accustomed to that exclusive corporation spirit which prevails in them, naturally endeavour to obtain against all their countrymen the same exclusive privileges which they generally possess against the inhabitants of their respective towns. They accordingly seem to have been the original inventors of those restraints upon the importation of foreign

goods which secure to them the monopoly of the home market. It was probably in imitation of them, and to put themselves upon a level with those who, they found, were disposed to oppress them, that the country gentlemen and farmers of Great Britain so far forgot the generosity which is natural to their station as to demand the exclusive privilege of supplying their countrymen with corn and butcher's meat. They did not perhaps take time to consider how much less their interest could be affected by the freedom of trade than that of the people whose example they followed.'

"Such was the relative attitude of the two classes towards the close of the century. But during the French war a great change took place. On the one hand, the necessity of supplying England with food when almost all Europe was combined against her, brought into costly cultivation vast portions of land, both in England and Ireland, which were little adapted for corn culture, and on which it could only subsist under the encouragement of extravagant prices. On the other hand, the growth of the manufacturing towns produced an extreme pressure of population on subsistence, and a great reduction of the corn duties became absolutely inevitable. Under these circumstances, the manufacturing leaders strenuously supported the agitation for their total repeal. As great employers of labour, it was to them a class interest of the most direct and important character; and by a singular felicity, while they were certain to obtain an enormous share of the benefits of the change, the whole risk and loss would fall upon others. *The movement was easily turned into a war of classes; and the great, wealthy and intelligent class which directed and paid for it, conducted it so skilfully, that multitudes of Englishmen even now look on it as a brilliant exhibition of disinterested patriotism, and applaud*

the orators who delight in contrasting the enlightened and liberal spirit of English manufacturers with the besotted selfishness of English landlords."

That England boycotted Irish goods is well-known. But it is not so well-known that she tried a similar trick with Scotland. Lecky says:—

"The national poverty and the unhappy position of Scotland could not save it from the commercial jealousy of its neighbour. Though part of the same empire, it was excluded from all trade with the English colonies; no goods could be landed in Scotland from the plantations unless they had been first landed in England, and paid duty there had even then they might not be brought in a Scotch vessel. The trade with England itself was at the same time severely hampered."

But the Scotch people did not submit tamely like the Indians and the Irish. Says the same historian:—

"Though members of the British Empire, though they bore their part of the burdens and the dangers of the British wars, the Scotch were excluded by their neighbours from all trade with the colonies; and they now resolved to consult exclusively their own interests and dignity. An Act was passed declaring that after the death of the reigning Queen, the Sovereign of Scotland should have no right of declaring war without the consent of the Parliament. Another and still more startling measure, called the Bill of Security, provided that on the death of the Queen without issue, the Estates should meet to name a Protestant successor; but that this should not be the same person who could succeed to the crown of England unless a treaty had been first

made securing 'the honor and Sovereignty of the Scotch crown and kingdom, the freedom, frequency, and power of parliaments, the religion, freedom, and *trade of the nation from English or any foreign influence.* * *.'

"These were bold measures, and they showed plainly that the spirit of the nation could no longer be trifled with. Scotland could not directly compel England to grant her free trade, but she could proclaim herself a separate kingdom, and by the assistance of France she might have maintained her position.....'The whole nation,' said an observer, 'was strangely inflamed, and a national humor of being independent of England fermented strongly among all sorts of people without doors.'"

Imitation is the most sincere form of flattery. Those who think that everything English is good should take a leaf out of the politico-economical philosophy of the English and practise what they do in the matter of encouraging their home industries. Even in the lower house of Parliament which enacted Free Trade, the following remarkable passage at arms took place some twenty-eight years ago, between a Minister of the Crown and a Commoner.

"Foreign-made goods. In the House of Commons on August 11, 1896.

"*Mr. McClure* asked the First Commissioner of Works whether the chairs in the Reporters' Gallery and furniture in other parts of the House were of foreign manufacture and why preference was given to foreign over British and Irish trade.

'Mr. Akers-Douglas. The only furniture of foreign manufacture in the House of Commons is limited to a

number of chairs supplied to the Press Gallery and this was done some years ago. With this exception, all the articles in use are of British manufacture."

England built up her cotton industry at the expense of India. It was this industry more than any other which immensely contributed to the national wealth of that country. In "The Government of India under a Bureaucracy" written by John Dickinson, *Jun.*, and published as No. VI India Reform Tract in 1853, it was stated:—

"Our cotton manufacture now employs one-eighth of the population of the United Kingdom, and contributes one-fourth of the whole national revenue, or more than twelve millions sterling per annum." (p. 67).

It was not the steel or any other industry which has made England so rich and prosperous as the cotton one.

Professor Horace Hayman Wilson was a great friend of Dewan Ram Comul Sen—the grandfather of the famous leader of the Brahmo Samaj and orator, Babu Keshab Chandra Sen. In the course of a letter dealing with the death of Raja Ram Mohun Roy in England, Wilson wrote to Dewan Ram Comul Sen, that "an Englishman will sooner lose his life than his money." It is this love of money that made England so unscrupulous in her dealings with India.

The English people, to whom has been entrusted the Government of India, have been always in-

different to Indian affairs. So much so that even Macaulay had to commence his famous Essay on Clive by complaining that—

“while the history of the Spanish Empire in America is familiarly known to all the nations of Europe, the great actions of our countrymen in the East should, even among ourselves, excite little interest. Every schoolboy knows who imprisoned Montezuma, and who strangled Atahualpa. But we doubt whether one in ten, even among English gentlemen of highly cultivated minds can tell who won the battle of Buxar, perpetrated the massacre of Patna, whether Shuja Dowlah ruled in Oude or in Travancore, or whether Holkar was a Hindoo or a Mussulman.”

Since Macaulay's time, matters have not improved. The English are culpably neglecting the interests and welfare of the Indian people. To rouse them to their sense of duty and responsibility regarding India there was no other method surer of success than that of touching their pockets. This accounted for the genesis of the “Boycott” movement and that it succeeded was proved by the fact of the closure for a time of over 500 cotton mills of Lancashire. Of course, Englishmen have not yet turned their attention to Indian affairs or tried to right India's wrongs or redress her grievances.

Wherever the growth of nationalities has taken place, the first step necessary for its accomplishment has been without fail, the Boycott *cum*

Swadeshi movement. We may turn to America. The Colonists on the eve of the revolution and the subsequent formation of a nation had to practise "boycott". That story is so well-known and has been so often told that it need not be repeated here.* Only one extract from Lecky will suffice:—

"The merchants of the chief towns entered into agreements to order no more goods from England, cancel all orders already given, in some cases even to send no remittances to England in payment of their debts, till the Stamp Act was repealed.** In order that the colonies might be able to dispense with assistance from England, great efforts were made to promote manufactures. The richest citizens set the example of dressing in old or homespun clothes rather than wear new clothes imported from England; and in order to supply the deficiency of wool, a general agreement was made to abstain from eating lamb."†

The same story is told by Italy also. Italy was not united; half a century ago, there was no Italian nation in the modern sense of the term. But when there came the awakening of the national consciousness, the Italians, who were smarting under the foreign yoke, forbade their countrymen the purchase of Austrian cigars and lottery tickets,

* See the *Modern Review* for June 1907, page, 534 et seq. "Contemporary India and America on the eve of the Revolution."

† Lecky's *History of England*, Vol. IV., p. 83.

the profits of which went to the Austrian exchequer.*

Dr. Heinrich Friedjung truly observes in his preliminary remarks on the unification of Italy and Germany :—

“We must carefully notice that the supporters of the movement for unification both in Germany and Italy were drawn exclusively from the educated classes: but their efforts were powerfully supported by the establishment and expansion of foreign trade, and by the construction of roads and railways, since the separate elements of the nation were thus brought closer together. The scholar and the author were joined by the manufacturer, who produced goods for a market outside his own small country, and by the merchant who was cramped by custom-house restrictions.”†

The country of the Indian manufacturer is not a small one and so he has not yet to produce goods for a market outside his own country.

The Swadeshi spirit which brought about the national unity of Germany and Italy has been evoked in India by causes patent to all who can read the signs of the times. The boycott movement which is necessarily a counterpart of Swadeshi is sure to achieve the same end for the cause of Indian nationality as it has done for America and Italy. It is difficult to measure the possibilities of

† The world's History, (Edited by Dr. H. F. Helmholt). Vol. VIII. p. 190.

* Ibid. p. 255.

the Swadeshi movement. Even the author of "National Life and National Character" says:—

"The supremacy of the inferior races in the future is likely to be achieved by industrial progress rather than by military conquest."*

Let the prayer go out of the heart of every patriotic Indian that success be to the cause of Swadeshi in India, that the Motherland again rise in prosperity and win the esteem and respect of other nations by the skill of her manufacturing sons and daughters. May Swadeshi and Boycott take such a firm root in the land of the holy rishis and sages, whose productions both material and spiritual still excite the admiration of all peoples of the world, that nothing may be able to uproot them. God of all nations, give strength to the people of India to carry on with vigour the campaign of Swadeshi and Boycott till all their efforts be crowned with success and the formation of a United Indian Nation.

The cultivation of Jute should be reduced or stopped. Cotton-growing should be encouraged and its export should be as far as possible put a stop to.

In every house-hold, the *Charka* should be introduced and every person should be clad in *Khaddar*.

In these lies the salvation of India.

* Pearson's National Life and National Character, p. 99.